Public Utility Number

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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HIGHER PRICES FOR WHEAT WILL HELP BUSINESS

Crop Outlook Good in Canada and Poor Elsewhere

FOR HOME INDUSTRY

Making Finished Products From Raw Materials Means Employment of Labor and Return to Investor

The most favorable feature in the Canadian business outlook at present is reflected in reports on the North American crop situation. Prospects in Western Canada are highly promising although the crop is a little late, while areas with which our grain is obliged to compete, both in the United States and abroad, report prospects to be generally unsatisfactory. The continuation of this set of conditions would result in the most advantageous possible situation for the Canadian grain producer, and secondarily for Canadian business at large. Since the publication of the last United States Government crop report, and the estimate of this year's wheat acreage in the United States, the price of No. 1 Northern wheat has risen more than ten cents per bushel and flour prices are increasing relatively. This is highly significant to Canada. Last year, of the total value of our exports, viz., $1,045,000,000, wheat and flour alone accounted for $329,000,000 or nearly one-third. Only a small increase in the price of wheat per bushel and of flour per barrel is necessary to produce a tremendous increase in Canada's revenue. Even last week's ten-cent increase in wheat prices, if spread over our exportable surplus of wheat, would add $25,000,000 to our national income.

According to THE FINANCIAL POST'S New York correspondent the rise in wheat prices has apparently increased Canadian exports of wheat to the United States, and it is predicted by members of the New York Produce Exchange that, despite the tariff, there will shortly be a large increase in imports of Canadian grain. If wheat should reach $1.25 or $1.35, as predicted by Prof. David Friday, well-known agricultural economist, it seems certain that wheat will again flow in large volume from Canada to the United States. Europe's buying power, moreover, is increasing, and the surprisingly large volume of wheat bought by Europe last year augurs well for the disposal of this and subsequent crops.

Profits From Tourists

With the advent of warmer weather the business situation has begun to be affected by another factor of increasing importance, namely the tourist traffic from the United States. It has been impossible in the past to obtain authentic figures on the actual amount realized by Canadian business from this source, but some interesting estimates of the amount have recently been made by the National Parks Department at Ottawa. According to this information, tourists spent more than $136,000,000 in Canada during 1923. If accurate this is a surprisingly large item, there being few of our industries which yield a larger return. According to present indications the amount spent this year will be well up to last.

Our foreign trade is another very gratifying factor in the business situation. Exports for May were approximately 40 per cent. greater than for May, 1923, and total trade was 10 per cent. greater. The balance is thus very much more in our favor.

The unemployment situation throughout Canada threatens to become somewhat acute if the large-scale return of artisans from the United States continues. At the same time we must assume that if we are sufficiently anxious for immigrants to pay millions annually to bring

(Continued on page 8)

Canadian Conditions

Car Loadings—Year to date—			
	1923	1924	
	1,120,565	1,225,803	+ 9.4%
Building—Five Months—			
	1923	1924	
	$49,925,237	$38,988,062	—21.9%
Bank Clearings—Five Months—			
	1923	1924	
	$5,983,250,650	$6,146,469,440	+ 2.8%
Grain Movement—Receipts to date—			
	1922 crop	1923 crop	
	298,247,426	377,250,441	+26.4%
Savings Deposits—Chartered Banks—			
	1923	1924	
	$1,227,253,431	$1,211,504,684	— 1.3%
Current Loans—By Banks—			
	1923	1924	
	$1,087,969,788	$1,005,425,951	— 7.6%
Net Dominion Debt—			
	1923	1924	
	$2,406,399,510	$2,385,263,512	— 0.8%
Railway Earnings—Five Months—			
	1923	1924	
C.P.R.	$63,734,000	$67,406,000	+ 5.7%
C.N.R.	95,592,406	95,186,491	— 0.4%
Balance of Trade—Twelve Months—			
	1923	1924	
Exp.	$945,295,837	$1,058,553,297	+11.9%
Imp.	802,579,244	893,335,491	+11.3%
Bal.	142,716,593	165,217,806	+15.7%

Corn and Flax Take Acreage Formerly Wheat

Special Correspondence.

REGINA.—Seeding has been completed in Saskatchewan with a material increase in wheat acreage. On the other hand there has been a large increase in the area seeded to flax and a big increase also in the acreage of corn planted. Rain and warm weather have been general in all parts of the province with the exception of the north-eastern and east-central districts where moisture is needed. Crops, however, are not suffering in any part of the province although they are later than usual.

MAY PUT CASE HOME DEPOSITS UP TO SENATE

Feeling that McKeown Report Does Not Settle Issue

From Our Own Correspondent.

OTTAWA.—There is a feeling of disappointment in parliamentary circles over the McKeown interim report on the Home Bank affair. It is admitted that Justice McKeown apparently tried to be fair, though, of course, Sir Thomas White's friends think they have cause for grievance. But on the whole there is a feeling that the report is anaemic; that it fails to give Parliament a lead, which was the thing desired. So the common comment is that it has not given any information that was not known before.

That a rather lively time may be expected over the report in Parliament is evident. When the sub-committee of the banking and commerce committee that is to study its contents was named, A. F. Healey, who is a strong fighter for the depositors, found fault with it and complained that possibly the interests of the depositors might not receive the attention they merited. This caused quite a flare up, but eventually matters quieted down. The fact is that the depositors back home are watching the situation here as closely as a cat watches a mouse, and if prodding will do it their interests will be well looked after.

A mistake seems to have arisen over the intentions of the banking and commerce committee hearing the depositors. It always intended to do so. Now it has been decided that they will be heard on June 25. From all accounts it will be a pretty straight statement of facts. How many will be heard is not at present known, but one is safe in saying that all who desire to speak will be heard.

There is a great deal of discussion as to whether the Government will make provision for a compassionate allowance. No one knows anything about this, and all that is said respecting it is a mere expression of personal views. Some profess to think that such a bill may pass the House in the hope that it may be thrown out in the Senate. If the allowance is placed in the estimates then the Senate can't very well throw it out; but it could, if the provision went up in the form of a separate measure.

ONTARIO HAS AMPLE SUPPLY OF SULPHUR

Cutting off of U. S. Products Would Not Hurt Paper Companies

When Canada proposed an embargo against exports of pulpwood, one of the moves of the American paper manufacturers was to urge Washington to cut off the supply of sulphur coming to Canada for use in the manufacture of newsprint. THE FINANCIAL POST understands that efforts are being made to influence the pulpwood commission on this point. Canada need not fear such a treat. Hon. Chas. McCrea, Ontario's minister of mines, says that the nickel companies of Sudbury are well able to supply the whole Canadian market and would welcome the opportunity. Besides, there are heavy deposits of sulphur along the Algoma Eastern Railway. These have received the attention of some of the paper companies who have considered developing their own supply.

Both Government and Opposition members in the Commons are becoming irritated at the delay in receiving the commission's report, to judge by recent questions and answers in the House. However, the indications are that there will be still further delay and that the report may not be brought down during the present session.

MAKING DELIVERY IF POST OFFICE FAILS

As THE FINANCIAL POST goes to press the postal service in Toronto is disrupted because of the walk-out of post office employees. The extent of the disorganization which may result in the event of a general strike cannot be jugded at the moment, but steps are being taken to insure, so far as possible, through other distributing facilities, the delivery of THE POST and other papers of the MacLean Publishing Company in the business centres throughout Canada.

OVER $5,000,000 NEW MONEY WILL GO INTO MERGER

Shawinigan-Montreal Power Buying Common Stock at Par

DEAL IS ENDORSED

Investment Houses in Montreal Recommend Clients to Accept Offer Made Them

From Our Own Correspondent.

MONTREAL.—The weight of investment opinion in Montreal seems to be favorable to acceptance by holders of Montreal Tramways and Power stock of the offer of the syndicate behind the new power merger. The present directorate has taken a stand against the proposed merger and the president, Alcide E. Beauvais, of the brokerage house of Fortier, Beauvais and Timmins, claims to be able to show $40 a share of equity behind the common stock. But under the terms of the merger the shareholders are assured of an immediate return on their securities.

They are offered $7.50 of preferred stock in the new company and $7.50 of common stock for each share of Tram Power now held. A reliable informant makes a guess that the common stock will sell around $40 after the deal is completed and on this basis the offer is worth around $10.50 for each share of Tram Power stock. The market seems to forecast about the same value, Tram Power has been selling at about 10⅛. The difference may be regarded as due to the doubts that exist as to whether or not the merger will finally be completed along the lines outline exclusively in THE FINANCIAL POST last week and as to the potential value of the common shares of the new Holding Company.

Much New Capital

What must be considered by those who hold Tram Power shares is that under the present arrangement their company is almost insolvent and unable to finance on a reasonably economical basis. The new arrangement gives them a small allotment of preferred shares that will for the first time give them some return on their investment and an equal amount of common shares which will have a potential value. And it is of the utmost importance to know that for every share of preferred stock and common stock in the new company issued in exchange for shares it is proposed that Shawinigan Water and Power Company and Montreal

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BIG MERGER IN PORCUPINE AREA

Goldale, Newray, Armstrong Booth Concerns in Company Headed by Coniagas

Goldale, Newray and Strong-Bow mines, the latter owning Armstrong-Booth property between Newray and Goldale, are to consolidate. It will make a 640-acre block to be operated by Coniagas. The new company will be known as Coniagas Gold Mines, capital $5,000,000, shares par value $5.

Newray gets 172,000 shares, Strong-Bow, 45,000, for three-quarter interest in Armstrong-Booth, and 228,000 shares go to Goldale. Coniagas will purchase 540,000 shares for $1,050,000, payable $250,000 cash and balance in two years.

On this basis of $1.95 per share, Goldale shares, 2,088,297 outstanding, are worth $450,000, or 21½ cents a share. Newray, with 1,318,000 shares out, are worth $335,000, or 25½ cents.

Only 120 acres of Goldale's 1,904 acres are involved.

Canada's British Preference Started War Hate of Kaiser

It has recently been brought to light through German Foreign Office documents, that Emperor William's enmity towards England was greatly aggravated in 1897 when the Anglo-German Commercial Treaty was "denounced" by England. But a very interesting point from the Canadian standpoint is not revealed in these papers. It is learned by THE FINANCIAL POST that the break between Germany and England in trade matters at this time was caused by the action of the Canadian government in passing the British Preferential tariff. Thus Canada's action precipitated a trade rivalry between the two great powers which culminated seventeen years later in the Great War.

The Anglo-German Commercial Treaty referred to by the Kaiser extended to Germany such favorable trade arrangements as were enjoyed by England. Thus when Canada passed the British preference England was in the position of having to break the German arrangement or extend this preference to German exporters—and that would not have suited the situation. Under the circumstances the British Government took advantage of a clause in the treaty under which notice of suspension could be given. William saw in this action the beginning of what he called a "war to the knife" against Germany, and declared that England aimed at the annihilation of German industry, and would attain her purpose unless Germany built a big navy.

Germany's reply to Canadas' preference to Britain was the imposition of a surtax on Canadian imports to which Canada responded with a much higher surtax on German imports. The result of this little tariff war was all in favor of Canada because Canada could and did get along without German toys while German manufacturers could not very well get along without Canada's raw materials. These surtaxes prevailed until 1912 when a compromise was effected and trade between the two countries was expanding when the war came.

The fact that Canada's preferential concessions to Britain in 1897 created an embarrassing situation with Germany would now seem to be evident. There is no evidence that Ottawa consulted the British government in the matter.

Is There Any Danger of Too Much Power?

Will Canada Follow Railway Precedent and Over-Build Her Power Plants?—Not if Aggressive Immigration and Industrial Policies Are Followed Out

At the present time Canada's railways are overbuilt; many of her industries are over-built. There is not enough domestic business to keep iron and steel mills busy and export trade is hard to get. Textile mills are running at well below capacity. Boot and shoe factories will take many years to build markets capable of absorbing their present output. Cement plants exist capable of turning out twice the country's needs at present. And so with many other classes of industry.

The water power industry—the central electric station industry to be more accurate—is one of the few major industries in Canada that has not expanded beyond the demands of its consumers; that has been able to market practically all of the power that has been developed; that has not caused loss to investors because of reckless investment of dollars in enterprises that were ahead of their time.

Many Millions to be Spent

The development of water power is now the most rapidly growing field of enterprise in Canada. It is anticipated that $300,000,000 of new capital will be invested in water power in Canada in the next ten years and hundreds of thousands of horse power of new electrical energy be developed. It is fair to ask: will this rate of growth be more rapid than Canada's power absorptivity? Will the industry of water power development be over built in ten years time? It is an important question for investors to ask. It is an equally important question for Canadians, who are interested in seeing a sane growth of the industrial and commercial super-structure of this country and who realize that many of our economic ills are due to our attempts in the past to run along the pathway of business before we could creep.

There is no intention to throw alarm into the investment camp by asking this question. Perhaps some examination of the question will indicate that the danger implied in this question is not real. It may not even be apparent.

Two significant statements recently made in private conversation may be quoted. One of Canada's leading business men remarked the other "We must watch our step in water power development so as not to follow the railways. We should develop power only as prospects of early markets for it come in sight." Yea this business man has himself been instrumental in getting capital for recent water power enterprises involving hundreds of thousands of horse power. And all of this power has been marketed. Some of it that has not been permanently marketed at the rates that it will eventually bring has been sold at low rates—sufficient to cover charges—for purposes that cannot be described without revealing the names of the companies but which have a distinct economic benefit to the country.

The other statement was made by a man connected with a corporation that sells large quantities of machinery to the power companies and is in close contact with the opinion of power men. Referring to one of the big power developments now going ahead in Canada he said, "I am

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THE PRIVACY OF BUSINESS MUST BE RESPECTED

Graham Talks Common Sense Regarding Taxation Inquiry

From Our Own Correspondent.

OTTAWA.—The length of the session will depend largely on the legislation that the government intends to press. If the single transfer vote is procedeed with, the Conservatives will fight it until the cows come home—so they say, and they probably would. Just now the Progressives have as much to do with the length of the session as any group. The Alberta men are apparently determined to secure the passage of certain amendments to the Bank Act and their persistency may drag out the session.

Business is dragging for want of a strong enough bloc to see things through. The government hasn't a clear majority, and that is the cause of most of the trouble. This makes the aggressive element very bold, and as there are some good politicians among the latter, they have a strong hand.

The decision of the House to authorize the public accounts committee to enquire into the methods by which the income and business profits taxes are collected, is an indication of the way things are going. During the discussion on this Hon. G. P. Graham gave expression to some refreshing common sense. He said that at present the law protected business against prying persons who meant no good, and the law being as it is no good purpose would be served by allowing a committee to get behind it. Better by far to repeal the statute. And he added:

"But I am not in favor of this information being given, because I believe that the business of the country at the present time is more sensitive than it has ever been before. If we repeal this statute we shall do more to injure business than all the one-horse investigations that may be carried on will do to help it.

"The whole world, just now, seems to have a mania for investigating everybody but itself. Men in every parliament at the present time are on the lookout to see if they can find cause for investigating the other fellow for the purpose of getting something on him, as the saying is.

"'I would be absolutely opposed to compelling John Brown or Bill Smith to open his books to Tom Jones to poke his nose into them."

English Mining Capital Will Come, Says Hon. Mr. McCrea

"The big mining companies are coming. They will come in their own way." The above is the conclusion of Hon. Chas. McCrea, Ontario's Minister of Mines, on his return from an extended trip to England in an effort to interest capital in Northern Ontario mining. Mr. McCrea met all the big mining men of England. They represent millions of speculative funds. A great portion of this money is profits from South African ventures. Mr. McCrea's expectation is that the big companies will send their men out here to take up properties for development. When they reach the stage where definite quantities of ore are in sight, they will then organize their companies. That is the English way. Big capital takes the chance.

Decision to look into the Ontario field was not long debated with some of the English mining people, for, before Mr. McCrea had left London, several parties had already departed for Canada. Others will follow. He cited one instance as an evidence of how the Englishman does it. One man who was interested in Northern mining, and who had made money out of it, told him that a friend had sent him a signed cheque with the amount blank, and told him to write it for any amount for investment in Ontario's mines.

With certain investors, Mr. McCrea says, Canada has been hurt by the Grand Trunk episode. Strong criticism was heard of Government officials, who, when in England, promised the shareholders one thing, and returned to Canada and did another. However, the statement that the earnings were sufficient to pay one per cent. dividend on these shares have convinced some of the financial leaders that the shares have other than what they have heretofore been pleased to term, "a nuisance value," and Mr. McCrea believes that this will have a tendency to improve the opinions which many today hold towards Canadian investment.

The minister stated that the National Mining number of THE FINANCIAL POST was well received in England. He was at a dinner attended by the "cream" of the mining men of England. Later he sent a copy of THE POST issue to all these.

LOW MONEY RATE NOT STIMULANT FOR BUSINESS

Does Not Create Confidence Among Potential Buyers

CUT CANADIAN CALL

Money Being Brought Back to This Country by Banks to Prepare for Seasonal Needs of Agriculture

From Our Own Correspondent.

NEW YORK.—What is to be the effect of the cut in the Federal Reserve discount rates, is a question one hears very frequently in banking houses on Wall Street. The rate of the New York Federal Reserve Bank is now the lowest since the war and with the exception of the rate quoted for a time in 1917 to facilitate the flotation of the war loans, the lowest ever quoted by a reserve bank. It is not only the lowest rate quoted by the reserve banks with this exception but it is to-day the lowest rate quoted by any central bank in the world; it is well below the discount rate of Bank of England.

What may be expected to follow from the reduction is still an open question. The lower rate in itself will not act as a business stimulant. To serve as a stimulant it must be capable of creating confidence among potential buyers who need credit. But that the time for such a change of sentiment has yet arrived is far from clear and harking back to May 4 when the rate was reduced to four per cent., proof is found that business men are not greatly affected by reductions in the discount rates any more than foreign buying can be stimulated by the creation of new pieces of machinery for the dispensing of credit. There are other factors in the general business situation to be considered if any attempt is to be made to change the opinions of the buyers of the country. Certain New York bankers are reported to believe that one result will undoubtedly follow from the cut in the rates, namely the better distribution of the banks' credit facilities. While credit is easily obtainable from the banks in New York there are many parts of the United States even today where money is not quite so "easy" as it is here. A cut in the

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Insurance Men Want Protection Like C.M.A.

MONTREAL.—At the annual meeting of the Fire Insurance Brokers' Association, at Montreal, it was resolved, since the attitude of the Canadian Manufacturers' Association at their recent meeting held here was for the protection of Canadian goods, and that they were opposing protection for the business of insurance, and had endorsed unlicensed insurance, demanding the right to buy it in an open market, and sell their own goods in a protected market, that they protest such unreasonable and unwarranted action. They decided that the great institution of insurance was entitled to the same policy of protection as advocated by the manufacturers. A copy of this resolution was forwarded to the Canadian Manufacturers' Association.

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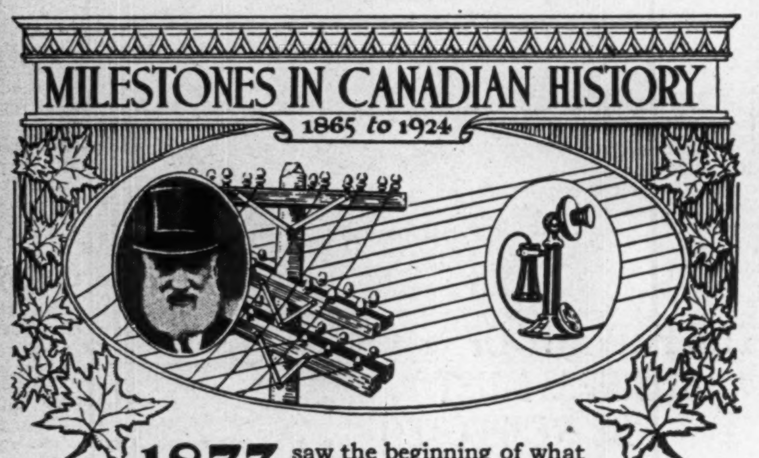

MILESTONES IN CANADIAN HISTORY
1865 to 1924

1877 saw the beginning of what has since developed into one of the most potent forces of our modern life—the Telephone, invented by a Canadian, the late Alexander Graham Bell.

In 1877 the first telephone was used commercially in Hamilton, Ontario.

It was in this year that Andrew Thomson was elected to the Presidency of the Union Bank.

Mr. Thomson was president for thirty years, and much of the Bank's progress was due to his sound judgment, far-seeing vision and wise counsel.

UNION BANK OF CANADA
958

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The Business Outlook

BUSINESS TREND OVER ONTARIO CONTINUES EVEN

Retail Buying Somewhat Better But Failures Still High

As evidenced by the accompanying charts, business in the Province of Ontario has followed a more or less even trend with no material upward or downward movements apart from seasonal variations. The volume of building (Chart 1) so far this year has been far below the high point of either of the past two years, but the present trend is upward, and a fair building volume for the year is now in sight.

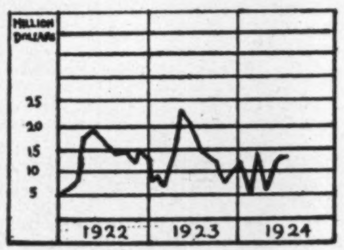
The employment graph has followed a consistent upward trend since the beginning of 1922 with seasoned setbacks. Last year's line is now being followed with striking exactness. A new factor has entered the situation, however, in the return to Canada from the United States, of many Canadians, as a result of declining business there, and the absorption of these by Canadian industry will probably be difficult. It will, however, tend to increase the volume of retail business. Unfortunately, one of the large steel industries has cut its operation to a minimum with a consequent unemployment increase.

Failures in Ontario are still extremely high, though slightly lower than the high points of the last two years. This indicates the difficulty under which business is being carried on.

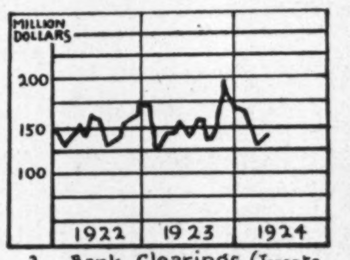
In general, retail business is still unsatisfactory but improvement is reported in many lines of late, as well as in some of the basic industries.

The tourist business has commenced and promises to be large this year. This means the spending of many millions of American money in Ontario during the next few weeks.

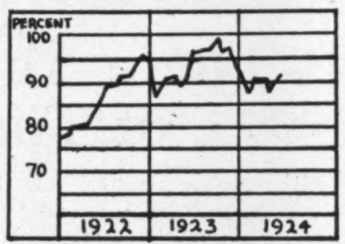
Next week—The Prairie Provinces.



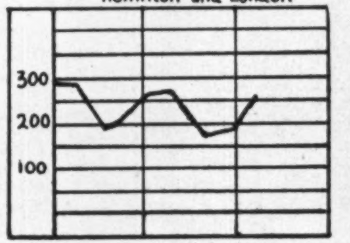
1. Building Contracts



3. Bank Clearings (Toronto, Hamilton and London)



2. Employment Situation



4. Business Failures

THE FINANCIAL POST

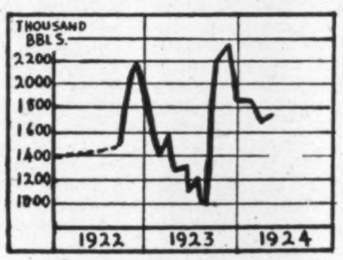
The Flour Milling Industry

Flour milling has gradually become one of Canada's important sources of revenue. During the past decade the volume of flour milled has shown a steady annual increase more or less in ratio with the growing production of wheat. The output declines, naturally, during the spring months, as shown in graph 1, but rises suddenly as soon as the wheat is harvested. The present volume of output, as will be seen, is far above the figure for this time last year, but the large decline of last summer need not be repeated since the production of wheat was much higher last crop and the volume of flour milled will also be greater.

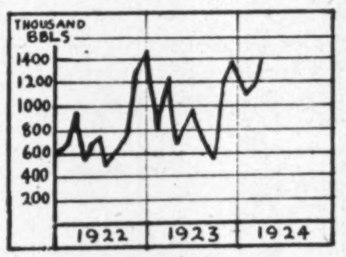
Comparing the production and export graphs, one readilly sees that the two follow the same general trend. The difference between the two sets of figures gives a rough estimate of home consumption which is a more or less fixed quantity. Export business has increased pretty well with production, but American competition has made serious inroads into Canadian shipments to European countries.

Charts 2 and 4 show the relationship between the prices of flour and those of wheat. The price of 'family' flour follows closely upon that of No. 1 Northern cash wheat. Up to the end of the period studied, however, it had not reacted to the present upward movement of wheat prices. This influence has since taken effect, flour prices being subject to crop reports and prospects as well as grain prices themselves. The recent reports of a lowered world wheat output, and the unsatisfactory crop conditions in the United States should have a bullish effect on flour prices, and a comparison of graphs 2 and 4 should indicate rather clearly what the probable trend of flour prices will be.

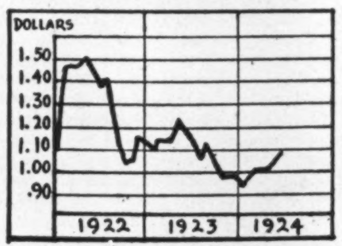
(Next week—The automobile industry.)



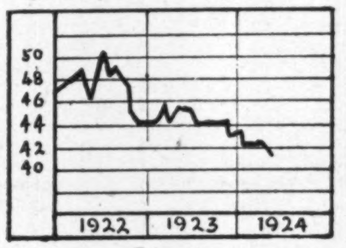
1. Production of Flour



3. Exports of Flour



2. No.1 Northern, Winnipeg



4. Flour Price Index

THE FINANCIAL POST

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—The customs department has issued the following rulings:

Ruled that no cold drawn steel is to be entered as shafting, unless to be used for shafting, and a declaration to that effect is to be placed on the entry.

Cold drawn iron or steel ⅜ inch diameter or over, and not in the coil, is not considered to be wire.

As United States tariff of 1922 imposes a duty on potatoes, dried, desiccated or otherwise prepared, such importations from United States are dutiable.

The board of customs has ruled as follows:

Declared that second-hand or used bottles, plain, lettered, or labelled, are subject to valuation for duty purposes at the fair market value of new bottles of the same size and description at the place of export less a discount of 25 per cent., without being liable to dumping duty.

Hungary.—A bill has been introduced into the Hungarian National Assembly revising the customs tariff on imported goods. An entirely new schedule is proposed with considerable increase in the duties on most goods. The proposed schedule covers footwear, including rubber footwear; automobiles, bodies, chassis, and pneumatic tires; typewriters, calculating machines, linotype machines, and parts; engines (locomobiles), and parts; hosiery; fat, bacon, and lard.

New Caledonia.—A 2 per cent. surtax has been established in New Caledonia on merchandise of any origin imported for interior consumption, according to a decree of May 5, 1924. The surtax does not apply to flour, rice, and raw sugar, nor to merchandise declared on importation for bonded warehouses, temporary admission, or re-exportation, except when such merchandise is withdrawn for interior consumption. The value to be considered for the application of the tax is that of the merchandise at the time it is presented to the customs.

CUT HUDSON'S BAY RATES

National Reduction in Tariffs Will Help Northern Manitoba Mines

Freight rates on Hudson's Bay railway have recently been lowered. This will help the Herb Lake mines. Hitherto there has been a flat rate of 81 cents a hundred on all freight in less than carload lots. Under the new classification the rate varies from 38 to 72 cents a hundred. The highest rate under the new schedule is lower than the lowest rate of the old.

SELLING METHODS OF WHOLESALE GROCER BUSINESS CHANGES

Cash and Carry Launched in Toronto is Latest—No Travelers Are Employed

The competition of the chain store is bringing about a revolution in the wholesale grocery trade. This branch of merchandising has held out fairly well in the face of many new innovations in merchandising, but at last a change has come. Perhaps the most radical is that of the "cash and carry wholesale," adopted by one Toronto house. Recently, it called in its travelers, paid them off, and launched the new system of no delivery or credit. Orders not accompanied by cheques are sent C.O.D. The experiment is a little young to judge of its success.

Another tendency on the part of wholesalers has been to link up with some of the chain or buyers' groups. The latter have been playing havoc with some wholesale prices. Groups of stores get together, prepare lists of what they want, and then present the list to the various wholesalers and get them bidding against each other. It is reported that in some cases they are known to have got prices down as low as cost, plus 5 per cent.

On the other hand, the chain stores are diverting a tremendous volume of business away from the wholesaler, and it is stated that the situation is reported as being serious for some houses. A rumor from London, Ont., is that conditions in the trade there have become such as to lead the five houses to seriously consider amalgamating into one large company.

This seems to be the day for revolution in the methods of merchandising. Retailing made the start, but industry seems to have taken hold and is carrying the radical methods much farther. This is true of many manufacturers of lingerie, silk stockings, shoes, etc., who have gone in for direct-to-the-consumer selling by employing what is termed the "bell-ringer" method, which is nothing more than employing an army of door to door salesmen. Others are going in for phone selling, employing expert salesmen and salesladies to call prospects on the phone. Perhaps no greater progress has been made in selling over the phone than that of some stock and security houses. Brokers handling issues that do not stand up too well under close scrutiny, also favor this method of selling.

GERMANY NEEDS RAW MATERIALS FROM CANADA

Purchases Will Increase as She Markets Her Products

Despite the fact that trade with Germany has been seriously handicapped by the continuous fluctuations of the mark, Canada has developed a very substantial export business with German firms. During the first quarter of the present year the value of Canadian merchandise shipped to Germany was $5,696,107, in comparison with $3,315,748 for the same period last year, an increase of 72 per cent. Imports from Germany, on the other hand, have shown a tendency to decline. After a long period of inflation German manufacturers find it difficult to meet foreign competition until internal conditions have been adjusted to the world markets.

Canada's trade with Germany since the beginning of 1923 shows very clearly the effect of internal conditions. A marked decline in trade figures succeeded the occupation of the Ruhr in May. The effect of subsequent exchange fluctuations is also evident. When the rentenmark was adopted late in 1923 a degree of stability was achieved, and this had its effect in the increase which took place in our exports to Germany during the early months of 1924. The later decline in Canadian exports is said to be due to the falling off of German exports and the consequent lowering of their purchasing power abroad. German imports largely comprise raw materials, and it is essential that her production and exports be maintained in order that she may be able to maintain the volume of such imports.

While both imports and exports at present are tending downward, Germany needs our raw materials in order to keep her plants running, and there is basis for the belief that our trade will again become very substantial, assuming, of course, the continuation of Germany's recovery. During the year ending with March, Germany was the fourth largest buyer of our goods, outside Great Britain and the United States.

The Grain Movement

OTTAWA. — Preliminary figures showing the receipts at the head of the lakes, also Vancouver, B.C., for the period from September 1st, 1923, to June 6th, 1924:

	Ft. William and Pt. Arthur	Vancouver, B.C.
Wheat	263,400,634	48,107,410
Oats	41,218,589	530,116
Barley	13,992,025	60,917
Flax	4,197,567	......
Rye	5,413,798	329,385
Totals	328,222,613	49,027,828
Same period 1923	281,629,189	16,618,237
Increase over last year	46,593,424	32,409,591

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COD AND HADDOCK CATCH HEAVY

SYDNEY.—Cod and haddock, valued at $40,000, totalling 70,000 pounds, were taken by harbor fishermen here during May.

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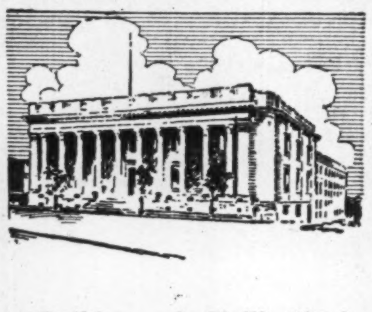

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POLITICAL FIGHT ON CROW'S NEST RATES UNDER WAY

Railways Are Fighting But Fear Sacrifice on Western Altar

C. N. R'S. POSITION

Government Lines Oppose Crow Schedule But Their Political Position Makes Protest Difficult

From Our Own Correspondent.

MONTREAL.—While both the Canadian Pacific Railway and the Canadian National Railway are making a hard fight to have the Dominion government take the Crow's Nest Pass agreement out of politics it must be frankly admitted that there is not an air of optimism at the railway headquarters as to the result. The West is demanding the Crow's Nest pass rates; the present tendency in political affairs is to give the West what it wants regardless of the interests of the remainder of the country. With this in mind the result seems to be a foregone conclusion unless the protests against the Crow's Nest Pass rates now being formulated by boards of trade and similar public bodies throughout Eastern and Central Canada weigh more heavily with the government at Ottawa than they did a year ago.

While the Crow's Nest rates affect the C. P. R. alone the Canadian National Railway is taking part in the campaign against the schedule, because any reduction in freight rates on the C. P. R. Western lines would naturally force the C. N. R. into the establishment of a competitive schedule. This would set the C. N. R. back quite a bit in its climb to the ranks of the surplus producers.

But again the peculiar relationship between the Canadian National Railways and the government at Ottawa is an important factor, greatly restricting the Canadian National Railways in its fight against the new rates schedule. The government wants the agreement to come into force for political reasons; the C. N. R. does not want the rates to come into force for business reasons. But be it right or wrong the C. N. R. cannot very well spend its money—the government's money—in a campaign of education of the public in opposition to the Crow's Nest rates.

Sir Henry's Recent Protest

Nevertheless, Sir Henry Thornton, in his annual report, made a thinly veiled attack on the Crow's Nest Pass schedule in the following words:

> "There is no way by which freight and passenger rates can be continually reduced and net earnings at the same time increased. Moreover, restricted net earnings must inevitably mean additional taxes to provide for annual deficits."

At the annual meeting of the C. P. R., President E. W. Beatty took opposition to coming into force in July of the Crow's Nest Pass schedule.

What Agreement is

The Crow's Nest agreement was entered into between the Government and the Canadian Pacific Railway in 1897, the company securing certain considerations from the Government and agreeing, in return, to a fixed schedule of rates upon certain specified commodities. The scope of the rate concessions was subsequently enlarged by the company, irrespective of the agreement. It has never been contended that this contract does not bind the company. When the operation of the agreement was suspended in 1919 the action of the then government and Parliament was designed to meet an abnormal condition, the Crow's Nest rates being out of all relation to the largely increased cost of railway operation. What was done then was to amend the section of the Consolidated Railway Act which excludes special rates, such as those determined by the Crow's Nest contract, from the jurisdiction of the Railway Commission. In 1922 Parliament was called upon to decide whether this suspension should continue or not, and after an exhaustive hearing by a committee of the House a further suspension was decided upon except in regard to eastbound wheat and flour; in the transportation of these commodities the Crow's Nest rates were to again govern.

It is this Act of 1922 which lapses next month, and the demand is made for the restoration of the whole Crow's Nest schedule, the so-called rates charter of the Prairie Provinces. Incidentally, the Canadian Pacific Railway is being represented as attempting to break a solemn contract with the western public. That is not the position. The contract has been observed to the letter by the company, which has, in point of fact, given the west more than was provided for in the Crow's Nest bargain. Parliament itself has upon two occasions, once in 1919 and once in 1922, suspended the contract in whole or in part, for reasons which appeared to be fair and just, and Parliament is now being asked to follow its own precedent.

Want Railway Board to Judge

It is emphasized by both railways that they have no desire to dictate what rate schedules should be applied on their lines. But they feel that the government should turn the whole matter of the Crow's Nest Pass agreement over to the Board of Railway Commissioners and have that body adjudicate the matter upon the basis of present conditions; not upon the basis of conditions in 1897, when the West was promised the Crow's Nest Pass rates in exchange for certain concessions made at that time. The Board of Railway Commissioners has been put in charge of rate making on the railways; let the board decide what is fair in the present case is the stand taken by the rail men.

The Railway Association of Canada has brought out a somewhat lengthy statement of its stand on the question. Some quotations from the Railway Association's public letter are as follows:

"According to the statement issued by the C.N.R. accounting department, the Western region showed an operating loss of $2,020,709.52. The Central region, i.e., the lines in Ontario and Quebec, showed an operating profit of $18,687,610.22. The loss on Western lines can be directly attributed to the enforcement in 1922 of the Crow's Nest Act grain rates from Prairie Provinces to the lake head; the reduction which followed in export grain rates to Vancouver, together with the revision of rates on account of British Columbia.

"The C. P. R. returns are even more striking."

After detailing some of the earnings figures and outlining rate schedules of an inconsistent nature that are called for in the schedule the association's letter says:

"Hundreds of other rate inconsistencies will be called into existence by the application of the Act of 1898. It needs no prophetic vision to see trouble ahead for all concerned. It can only be by reason of ignorance or through questionable business motives, that rates which were considered abnormally low in 1898, under the existing operating conditions and costs of that day, should be forced upon the railways, for the doubtful gain of a few through the loss and detriment of the greater part of the Dominion."

People Rebellious Because of Exasperating Taxation

Extravagant Governments Should Be Called to Account—Relief Provided Capital in United States Should Be Extended in This Country

MORE WORK, LESS PLAY TO MEET SITUATION

By SIR JOSEPH FLAVELLE,

In address at annual dinner of the Canadian Bond Dealers' Association

When I was a boy, necessity compelled rugged simplicity in personal expenditures. We were solemnly warned by the preacher of our danger if we sought unduly for pleasure in creature comforts, as they were then termed. We had little to divert us, for our work hours daily were from eight in the morning to seven-thirty in the evening, except on Saturday, when we worked until ten thirty o'clock at night. These hours were changed later to seven o'clock in the morning to seven thirty in the evening, daily, and Saturday, to eleven at night.

In these days of restless discontent, almost wholly concerned with creature comforts, have we, I wonder, lost our sense of humour as well as our perspective? We are angry in being reminded of extravagance, and are petulant in being forced to limit our expenditures, or pay our just debts. But why should we obtrude our anger or petulance? Selfish comforts which give us so much concern, play no part in the affairs of the Dominion. It is really of no consequence to Canada whether we live in a large house, or a small house; whether we play golf three afternoons a week, or not at all; whether we have a "flivver" or a Rolls-Royce, or for that matter, a car of any kind. It may be much better for us and the country that we should do without these. If we cannot comfortably pay for unnecessary things, the development of the country will not stop. It does not suffer through disregard of our taste for ease, or pleasure, or luxury. It does suffer when regard for these saps or destroys our earnestness in things which matter. It is of minor consequence what we are worth in money or property when we die, but it is of much consequence what we are worth to the community while we live. May it not, after all, be foolish to consider the finger prints of progress are necessarily found in the ledgers of the counting house, or in the easy if not flippant expenditure of money upon personal pleasures?

Farm Revenues for Autos

It is stated that the major portion of the annual value of the grain crop in Ontario is now annually spent upon the upkeep of automobiles in the province. This is a wholly new charge in recent years. Does it not follow that there are less resources available for needed improvements and betterments which employ labor and stimulate business. If for any reason we spend an undue sum upon non-essentials, expenditure upon essentials must be curtailed. I know this is a mere platitude, but perhaps the platitude requires re-stating.

I believe it is true that there is general disinclination to depend upon personal effort, and endeavor, and willingness to work hard and long, as natural and necessary if the new changes occasioned by the incredible waste and loss of the war are to be met. We have rather sought for betterment through political action, and through appeals to class and vocational prejudice.

We complain of taxes, and I believe there is justification for complaint. Expenditures by governments, including municipal bodies, have developed upon so great a scale that each treasury, hard pressed for revenue, has made claims upon exasperated tax payers until they are in a rebellious mood. To the extent that these expenditures are wasteful, unnecessary for immediate requirements, and extravagant, governments should be sternly called to account by aroused public opinion. To the extent that they are the direct results of the war, government should claim and secure the good tempered co-operation of the tax payer in providing needed revenue. It should be the aim of governments to collect these revenues through methods of taxation which will least injuriously affect the country's temper, the development of national resources, and continued courage in enterprise, which furnish employment to labor. To a greater degree than Canada seems willing to admit, they have come to understand in the United States that excessive taxation of capital deprives industry of the resources necessary for expansion and stability, prevents investment in new enterprises, and reduces employment. Students of the problem of taxation claim that extreme supertaxes bear more sorely upon the mass of the people than upon the rich, who remain so under any system of taxation, and who cease to employ their capital in productive enterprises when the state takes an undue share of the profits, and thereby labor suffers through unemployment. Moreover, as recently stated in a Montreal journal: "What is done at Washington must be of supreme concern to Canada." We cannot have taxes upon income and capital higher than in the United States, if we are to retain our population, develop our resources, and succeed in the competitive struggle with our neighbors which destiny has decreed we cannot escape.

Taxation and Prosperity

Yet, I fear that the immense borrowings of the nation for expenditure in the war, with inevitable charges of grave proportions, can only be discharged through revenues derived from taxation. The tangible wealth of the world could not be so largely destroyed in four years of war, and yet permit material prosperity and progress as though nothing had happened.

We complain of business; the wish has been father to the thought that somehow we would secure profit and leisure in the easy way they came during the war, when these coveted possessions were secured, not so much through our cleverness in effort, as through the artificial demand for an immense volume of commodities and materials at extreme prices.

Have you considered, gentlemen,

(Continued on page 7)

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VARYING INFLUENCES IN MARKET; TREND AGAIN DOWNWARD

Cheap Money in U. S. Has Resulted in Some Buying on Canadian Exchanges

BANKS ARE ACTIVE

Paper Group Weak While Utilities and Tractions Develop Considerable Trading

The stock market has been more active of late. Brokers attribute this in a measure to the excess of cheap money in the United States. This would account for a portion of the buying orders which have crossed the line, but does not explain the liquidation of stocks that was quite pronounced and which caused quite a number of issues to show material declines. The best opinion seems to be that the selling which has developed is just a further step in the downward trend that has been in evidence for a considerable time. There are always rallies of more or less importance and some brokers state that the recent strength was just one of these small rallies.

One mining broker raised the interesting point in regard the market. He called attention to the fact that the decline in the general market was said to be a movement to discount lower profits and consequently lower dividends. If this is the case he wanted to know why the mining market was going down. Was it in sympathy?

The banking group gave an interesting exhibition during the week. Every stock was active, some showing gains and some losses, not one issue remaining stationary.

The papers developed considerable weakness. This is doubtless due to the talk of decreased prices. Steels were about the same as they have been for some time and the same with the milling and textiles. Most of the buying which is said to have come across the line is believed to have favored the utilities and tractions. Figures on the trading in these groups would indicate that there has been considerable buying but also that there was more selling with the result that weakness developed in a number of issues. Industrial and specialty issues which are grouped together showed several near points of weakness.

The trend of the various groups is shown in the following table:

	Gains	Losses	Unch.	Total
Banks	7	4	0	11
Paper	2	8	3	13
Steel	4	2	15	21
Milling	2	2	9	13
Utilities	4	6	6	16
Tractions . ..	5	9	7	21
Textiles	1	2	12	15
Industrls., etc.	5	14	60	79
	30	47	112	189

Hayden and Stone, Boston, raise some interesting points in regard the market outlook. They see some favorable factors but at the same time they cannot see immediate hopes of the market responding strongly to the influence of these. They say:

Two important constructive factors are now in evidence, viz.: easy money and low commodity prices. Whether stocks on hand are large or small there seems to be some diversion of opinion, but the proportion of rush orders seems to show that stocks in distributors' hands are small. On the other hand, producers are carrying ample, though not excessive, supplies. Labor cost is still high, and calls for further adjustment; business in many lines is admittedly poor, but this condition is known to all, and is the fact that the market has been discounting by the decline of the last four months. There is no doubt an inducement to take advantage of the strong technical and financial condition to improve general sentiment by means of raising prices. The controlling factor to-day is money. The prospect of easy rates for some time to come offers a strong inducement for the employment of funds in the purchase of those stocks whose dividend rate is secure and are still selling to yield returns well above the rate for time money. Of these there are still a number of railroad and public utility lines. There are, however, many sore spots in the situation, and it will be some time before business can be said to be in a healthy condition.

While we are still of the opinion that the greater part of the business recession has been discounted, we also feel that too sudden an uprush in speculative securities is unwarranted, and would only be followed by a relapse.

NEW STEEL INDUSTRY

The name of W. R. Wilson, president of the Crow's Nest Pass Coal Co., and part owner of the Premier Mine, is being associated with the report that a steel manufacturing industry is to be launched near Fernie, B.C. Five million dollars are said to be available for the initiation of the enterprise. Coal, iron and all other necessary raw materials are found in this part of the province. The promoters of the industry will not proceed, it is said, unless they find it possible to come to an agreement with labor guaranteeing five years' peace.

OAK TIRE AND RUBBER

The six months' report of the Oak Tire & Rubber Co. presented at the meeting of shareholders last week shows a loss for the period ending with March of $11,000. This was regarded as an improvement over showing made for the previous year ending with September, when there was a deficit of $54,000. The balance sheet shows a working capital of about $89,000, as between current assets and current liabilities.

The company is endeavoring to increase working capital through the sale of bonds and of the new issue of $100,000 authorized about $19,000 have been sold. Prior obligations which it is proposed to discharge by the new issue include $8,000 of an original issue of bonds and a mortgage of $11,000.

Crude Oil Engine Operates Automobile

From Our Own Correspondent.

MONTREAL.—Andre C. Attendu, inventor of the Attendu engine product of the Eastern Engineering Co., this week demonstrated that his engine, burning crude oil, costing about seven cents per gallon retail, and yielding about twice the mileage per gallon obtained from a gasoline engine of the same size, could propel an automobile. The demonstration was non-technical, and merely for the purpose of satisfying the curiosity that has been aroused.

Controlled much in the same manner as an ordinary motor, Mr. Attendu's engine behaves well on the road, negotiating steep grades with facility. It developed 73 horsepower, fifteen or twenty more than was expected of it. The chief advantage claimed for the engine lies in the fact that it can be produced as cheaply as a gasoline engine, and can be run at one-tenth the cost.

News and Views for Investors

BELL TELEPHONE

Substantial buying has again developed in Bell Telephone, over 1,000 shares changing hands in the last two weeks, the price moving up from 129 to a firm position at 132. Back in the middle of March the stock reached this level and held it for a few days, and since then fell off to 126½ in April. Since that date the recovery has been steady.

CANADIAN CAR

Canadian Car & Foundry is expected to have as good a year this twelvemonth period as last. Orders have come in in fair volume, and there is prospect of further business from the railroads. It will be recalled that there was a good carry over of business from last year. Followers of the stock are looking for all dividend arrears on the preferred to be cleaned up by the end of September, when the company's fiscal year closes.

CANADA STEAMSHIPS

Those in close touch with Canada Steamships Lines state that, to date, the company's business exceeds the business during the similar period a year ago. It is known that the advance bookings on its passenger lines has been better than 1923, especially for those months when traffic is ordinarily at its lightest. It is, of course, too early to forecast what will be the result of grain carriage on the Great Lakes later in the summer and fall.

CITY DAIRY

City Dairy common sold up to 49¼ this week transactions totalling 390 shares, the heaviest since the new stock was issued. Good general buying seems to be wholly responsible. Orders came from fully a half dozen houses, indicating that the orders were well distributed. It is stated that there is no prospect of any dividend increase, but that earnings are keeping up well with last year and at times are better. These are considerably in excess of the dividend requirements.

AMHERST WOOLLEN MILLS

At a public meeting of citizens in Amherst, N.S., a few days ago, a committee was appointed to make a further canvass for stock subscriptions for the Amherst Woollen Mills, Limited, in a final effort to get the plant running again. The plant was owned by the Stanfield Company and was closed owing to British competition. The proposition has been to dismantle it and the equipment has been offered for sale. There are prospects that the efforts of the committee just appointed may result in getting the mill on its feet again.

AMES-HOLDEN

Ames-Holden has not seen much improvement lately, and is still in the doldrums along with many other shoe manufacturers throughout Canada. Lack of a sufficient domestic market, too many different brands and styles of shoes, and increased importations of shoes under present tariffs are blamed for the troubles of the makers of shoes.

It is anticipated that Ames-Holden will see some improvement in the fall, when it is expected that the trade will commence to buy more freely than for many months past.

CANADA CEMENT

Pres. F. P. Jones, of Canada Cement, branded as ridiculous the story that there would be an increase in the common dividend. Despite this the stock moved up from 86 to 89. The directors, however, set this at rest by declaring the usual quarterly payment of 1½ per cent., and the stock settled back to 87. Mr. Jones said the company was giving its attention to increased business, not increased dividends. To increase the dividend at the present time would be suicidal. As a result of the recent drop of 35 cents the company is now selling cement at lower prices than those obtaining in the U. S. or England.

MAPLE LEAF

The new management of Maple Leaf Milling Co. made radical changes in the position of that company during the year. Heavy bank borrowings are greatly reduced as are also investments, while the heavy total of both accounts receivable and payable have been taken care of. As a part of these changes the company placed a $2,000,000 bond issue. The profit and loss report shows improvement, in fact the statement may be taken as indicating a material improvement in the milling business, and this phase of the report was subject to some comment on the part of President James Stewart, who pointed out that export sales increased during the year, and a further expansion both to Europe and the Orient is looked for.

ATLANTIC SUGAR

Contrary to a recent report, Atlantic sugar has not taken any definite steps looking to the funding of its raw sugar liabilities. The company could arrange this indebtedness by the issuance of bonds at par to the chief creditors, and a few other private individuals, but does not see the need of an early adjustment of the matter. Home trade in sugar has held up well, with exports at the low level of a year ago. To date this year the sugar market has been a falling market and the general public has benefited from lower prices. A year ago sugar was in an ascending market for raws. The sugar market is always difficult to forecast, but a turn upwards for raws would be of distinct advantage to Atlantic Sugar, for there is always a long period between the purchase of raw sugar and its sales to the wholesale trade as refined sugar.

PAGE-HERSEY

Page-Hersey Co. has had a good spring. Business is reported to have held up well although a falling off is expected for the next few months. The dividend has been well earned and the usual July declaration is expected. The finances of the company are said to be in a healthy state. The liquid assets stand about the same as shown in the last statement around three million, with debts of only about $50,000. That the shares of the company are well regarded is evidenced by the fact that the offer to redeem preferred shares made by the company did not bring a response, and all that the company was able to redeem was one block which it managed to get hold of. This, however, represented only about half the stock that it would have retired had it been available.

DOMINION TEXTILE

While the showing made by the Dominion Textile Co., Ltd., during the past year appeared to be a good one, when a thorough survey of the situation is made it is apparent that many difficulties have been experienced in the past twelve months. The last three or four, and especially two months, have been attended with bad business conditions, and as a result of heavy duties and other expenses entering into the manufacture of yard goods, it has been extremely difficult for the company to operate at a profit.

Speaking at the annual meeting of shareholders, the president of the company, Sir Charles Gordon, stated that although some improvement was now being noticed and some further betterment is expected, the shareholders must not feel over-optimistic. He pointed out that the profit of the company per yard was a very narrow one, and that any fluctuation with the price tendency as it had been for the past several months, would make a very appreciable difference. As evidence that the Canadian industry was not alone in its difficulties, he spoke of the unfortunate position of the English mills, and mentioned the mills in the northern States which were facing serious competition from the southern mills that had an advantage of abundant power, cheap labor and longer hours.

"Nevertheless," said Sir Charles, "I feel that the outlook is improving to some extent and that the balance of the year will witness further improvement in general operating and market conditions surrounding the company." This was the first annual meeting in the company's new building and it was generally expressed that the move there had been a good one.

CANADIAN CONVERTERS

At the annual meeting of Canadian Converters' Company, Ltd., James N. Laing was elected president, succeeding the late James R. Gordon, while J. N. Roy was elected vice-president, and will continue as general manager. The other directors are: Thos. J. Rodger, J. M. MacKie, T. R. Rennie, D. Paterson and R. C. McMichael, K.C. Thos. M. Barrington is again secretary-treasurer. Satisfaction with the report covering last year was expressed.

Public Utility Earnings

JAMAICA PUBLIC SERVICE

April—	1924	1923	Increase
Gross earn.	$46,560	$40,253	$6,306
Oper. and Taxes .	31,943	28,958	2,985
Net earn.	$14,616	$11,295	$3,320

EAST KOOTENAY POWER

	April, 1924	Year ending Mar., 1924
Gross rev.	$24,765	$212,006
Operating exp.	2,720	29,425
Net	$22,044	$182,580

CAN. WESTERN NATURAL GAS

	1923	1924
January	$107,765	$148,965
February	117,231	104,266
March	98,818	96,065
April	83,070	93,811
Aggr. earn. from 1st Oct. to 30th April..	$688,222	$703,815

B. C. ELECTRIC RAILWAY

	1923	1924
Gross earn.	$ 852,992	$ 886,461
Exp., mainten., etc.	608,781	637,806
Net income..	$ 244,211	$ 248,655
Agg. gross frm. July 1, to Apr. 30, 1924	$8,683,208	$9,004,850
Agg. net frm. July 1, to Apr. 30, 1924	$2,603,741	$2,672,087

ALABAMA POWER

May—	1924	*Increase
Gross	$ 699,600	$ 68,578
Oper. ex. inc. taxes	365,151	15,183
Net	$ 334,449	$ 53,395

For twelve months ending May 31:

	1924	Increase
Gross	$8,567,707	$1,990,165
Oper. ex. inc. taxes	4,574,379	904,374
Net	$3,993,328	$1,085,791

*Compared with same period 1923.

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1924	1923	Change
June 14 ..	$3,207,000	$3,187,000	+ $20,000

CANADIAN NATIONAL RAILWAYS

Week end:	1924	1923	Change
June 14—	$ 4,508.917	$ 4,764,518	—$255,601
Jan. 1 to June 14—	$103,995,611	$104,933,278	—$937,667

PACIFIC BURT EARNS 16% ON COMMON

Earnings for Past Year Fell Below 1923 But Well Above 1922

Pacific Burt's profits for the year ending Mar. 31, fell $10,000 below the year previous, totalling $225,866. The 1922 figures were $108,141. After providing for depreciation, patents and preferred dividends, the sum of $104,213 was left for the common stock, equal to 16.1 per cent. The profit and loss surplus brought forward from the previous year was $130,724 net, and the company was able to carry forward into the current year a surplus of $195,748.

The balance sheet shows current assets of $667,966 and current liabilities of $202,679, making the net working capital $440,983 as compared with $459,342 the year before. Thus the company has maintained a secure liquid condition.

Mr. S. J. Moore, president of the company, states in the report of the board of directors that the company's business continues on a practically normal basis, notwithstanding that general business conditions in the section of the United States west of the Rocky Mountains where the company operates are less favorable.

A new record was established in the amount of goods manufactured and shipped to customers. The company made the usual liberal transfers covering depreciation of plants and machinery and amortization of patents. The fact that the company's business proceeded at practically normal rate in view of the slower trade conditions on the Pacific Coast is viewed as particularly satisfactory from the directors' and shareholders' standpoint. Mr. Moore says that the sales book industry has unusual stability because its products are used whether buying is in small or large amounts.

Profit and loss stands as follows:

	1924	1923	1922
Bal. forward	$148,879	$ 54,075	$ 54,527
Less fed. taxes	18,155	4,983	3,821
	$130,724	$ 49,092	$ 50,705
Profits	$225,866	$235,990	$108,141
	$356,590	$285,082	$158,847
Appropriations—			
Depreciation	59,821	42,400	33,719
Patents	12,552	12,552	12,552
Prefer. divs.	45,279	45,500	45,500
Com. divs.	39,189	35,750	13,000
Contributed to employes under bylaw No. 9	4,000	......	......
	$160,842	$136,203	$104,772
Bal. car. for.	$195,748	$148,879	$ 54,075

QUEBEC POWER COMPANY

Through an important contract between the Quebec Power Company and the Quebec Harbor Commission, the electrification of all the auxiliary services of the harbor will be provided beginning with the 1st of July.

In recent years the Harbor Commission has been developing its own electrical power for the operation of its elevators and its lighting and many devices have been operated through steam instead of electricity.

NORTHERN MEXICO HAD BETTER YEAR

Earnings of Northern Mexico Power and Development show an improvement for 1923 over 1922. Profits were $430,692, less $137,500 depreciation, or a net of $293,192, compared with $241,669 in 1922; $207,485 in 1921, and $144,757 in 1920. During the year power sales showed a material increase, 8,300 h.p., as compared with 6,900 h.p. in 1922. Part of this was, no doubt, due to extensions of the company's operations during the year. These extensions involved considerable capital expenditure. These were outlined by Pres. W. D. Ross as follows::

Capital expenditures amounting to $846,522 were made in connection with extensions to the town of Santa Rosalia and to the city of Chihuahua. The total cost of these new lines, with substations and additional power house equipment, is now estimated at $1,015,000. The Santa Rosalia line was completed in June, 1923, and the Chihuahua line will be in operation about 1st July.

In 1922 the company disposed of bonds to the value of $105,000, and in 1924 have already disposed of an additional $100,000, and intend to place $295,000 more. A 7% dividend has been declared on the preferred for 1920. Current assets stand at $475,542.

Bonds of Small Denominations

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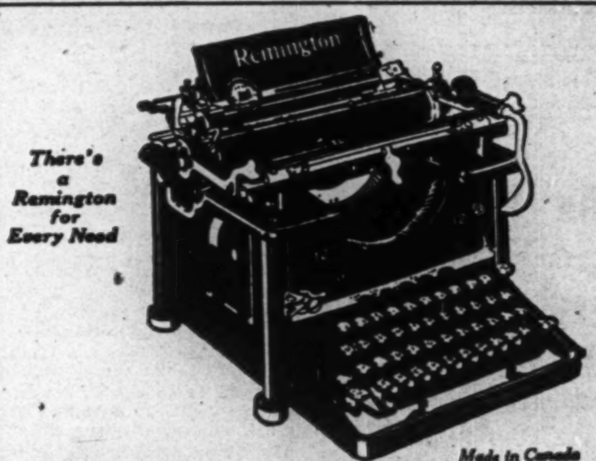
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Pulp and Paper Securities

SPANISH RIVER'S CUT IN NEWSPRINT WAS NO SURPRISE

Despite Optimistic Talk of Late, Reduction Was Necessary

From Our Own Correspondent.

MONTREAL.—The weakening in confidence in the paper market a week ago, commented on in last week's issue crystallized into Spanish River's definite action during the past week. The biggest of Canadian newsprint companies met the situation by cutting the newsprint price from $75 a ton to $73. This price will apply to all newsprint contracts for the last six months of the present year. As Spanish River's year ends on June 30 the cut in price will not affect earnings for the present twelve month period which is likely to show very close to 20 per cent. earned on both the common shares and the participating preferred shares.

Spanish River directors meet again at the end of this week when the question of curtailing production at the mills will be discussed. The Spanish River's mills have been breaking all previous production records recently although Laurentide and some other mills have been curtailing their output somewhat to meet the prevailing market conditions. Quite likely the directors will decide upon a policy of slowing up the machines, reducing the daily output of newsprint by a small percentage to be determined upon.

Cuts Profits By $400,000

A difference of $2 a ton in its newsprint price means a difference of about $400,000 a year in Spanish River profits or about $2 a share in both common and preferred stocks. However, the reduced income may be supplemented by reductions in expenses through lower labor or wood costs or higher efficiency of machines. The reduction should not in any way affect the present dividend rate nor should it cause any slowing up in production. Spanish River is earning an amount well above its dividends requirements.

Just how far the cut in newsprint prices will extend throughout the industry is not at the moment apparent. Quite likely most of the mills will one by one line up with Spanish River and some of them may go so far as to bring newsprint down to $70. In fact many followers of the newsprint stocks feel that a cut to $70 a ton would have been even better for bringing about more quickly stabalization of conditions in the newsprint market. The cut of $5 a ton would have eventually forced some American mills out of the newsprint business and in the end would have left the Canadian mills still better off by comparison. However, this contention is here quoted to show how some brokers and investors are talking and not in an attempt to guide the leaders of the newsprint industry in an action where they are the best judges.

Prices Had No Drop

The definite cut in newsprint prices provides an effective lesson to investors. It indicates first the necessity of analyzing literature put out on business subjects by those who have definite interests to be served. A great deal has appeared in print during the past few months about the strength of the newsprint market and the certainty of a continuance of the present price. During this period, this paper has pointed out the fact that there is a tremendous increase in newsprint production without any apparent commensurate increase in consumption. This was bound to create a situation, it was pointed out, where some mills would be forced to curtail or go out of business. It would be a case of the survival of the fittest and while the Canadian mills were undoubtedly the fittest they would have to face a period of readjustment and the probability of lower prices for newsprint for a while. This view it seems, is now being proven to be correct.

On the whole the cut in the price is not to be deplored. It is better for the mills to sell their product at $70 or $73 a ton than to manufacture and to find it hard to sell it at $75 a ton.

Again it might be repeated that the newsprint industry in Canada is, at heart, sound and likely to give as good an account of itself in the future as in the past.

ST. MAURICE PAPER

Trading in St. Maurice paper for the week totalled 630 shares, the price advancing a point to 90. It was the heaviest week for the stock since February. No explanation of the reason behind the buying movement is forthcoming.

Town of Kenora, Ont.

TENDERS FOR DEBENTURES.

Sealed Tenders addressed to the undersigned and marked "Tenders for Debentures" will be received up to noon Monday, June the 23rd, for the purchase of the following debenture issues of the Town of Kenora:

Bylaw No. 852, $20,000.00.—6%, 20 year, Sinking Fund Public Improvement Debentures, dated March 1st, 1924, payable March 1st, 1944.

Bylaw No. 825, $11,687.76.—5½%, 30 year, Sinking Fund Consolidated Debt Debentures, dated July 1st, 1923, payable December 31st, 1953.

Separate bids may be made for the above issues.

The Municipality reserve the right to reject any or all tenders.

Full particulars will be supplied upon application.

F. J. HOOPER,
Treasurer.

Straw Pulp Concern is Backed in Winnipeg

WINNIPEG.—Local business men have interested themselves in the new straw and pulp project, to be known as "Canadian Chemical Pulp and Paper Co.," capitalization, $1,500,000 7 per cent. preferred, and a like amount of common.

Samples of pulp and paper made from Manitoba straw, are now being shown here by Allan Killam and McKay. These, which are admitted to be of excellent quality, were made at the Godin mills, Huy, Belgium. Eight tons of Manitoba straw was shipped for the experiment, and the tests are said to have been beyond expectations. The process, however, was not exactly a new one, having been in use successfully in France and Belgium since 1919.

Straw, of course, largely goes to waste on the prairies, and any industry which could utilize this commodity, even in a small way, would be welcomed.

HOUSE IS AFTER PULPWOOD REPORT

Both Parties Would Like to Have the Matter Brought to a Head

OTTAWA.—The delay in submitting the report of the pulpwood commission regarding the proposed embargo on exports is irritating the House of Commons. The matter came up the other day, and the following is from Hansard:

Right Hon. Arthur Meighen (Leader of the Opposition): I want to ask the —I guess he will be Acting Minister of Finance in this respect—when this Pulpwood Commission report is to come down? Will it be down in time for action this session, or are they still in Washington or New York?

Hon. J. A. Robb (Acting Minister of Finance): No, they are not in Washington or New York. I am just as anxious as my hon. friend is to have the commission conclude their work. My right hon. friend will understand that I would like to get the matter closed up.

Mr. Meighen: That is a very interesting remark, but it is anything but an answer to my question. The question is, when does the minister expect the report?

Mr. Robb: I shall again direct the attention of the commission to the desire of my right hon. friend, and, I believe, of parliament and of the government, to have their work concluded.

Mr. Meighen: There is no expectation at all as to whether it will be down this session or not?

Mr. Robb: I would not like to make any commitments on that.

NEWSPRINT CUT SURPRISE IN N. Y.

Reduction Will Help to Meet Competition From European Paper Exporters

From Our Own Correspondent.

NEW YORK.—The announcement that Spanish River had cut its price for newsprint two dollars a ton, came as somewhat of a surprise to many American papermakers. While there have been rumors in circulation for some time back that the Canadians were contemplating some such move, the inclination on the part of the Americans was to regard this as "newspaper talk" and to dismiss it.

The international has met the cut, according to an anouncement made Saturday and is now quoting $73 a ton for the balance of the current year.

While few paper men can be induced to discuss the effect of this cut on their industry, it is fairly safe to say that it will prove to be a serious matter for many of the smaller paper companies already hard pushed to obtain business in competition with low cost imports from overseas.

So far as the larger American companies are concerned, they are apparently not feeling any too happy over the cut. But as most of them had a good year in 1923, they are probably in a position to "stand the gaff" for a while.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—

	Bid	Asked
Can. Assoc. Goldfields	.04	.07
Can. Westinghouse, pref.	132½	135
Can. Marconi	.70	1.00
Cockshutt Plow, pref.	25½	28
Collingwood Shipbuilding, com.	50	60
Cosgrave	5½	6½
Dom. Power, pref.	93	95½
Dom. Power, com.	38	40
Dunlop Tire 7% pref.	80	83
Durant Motors (A)	4½	5½
Durant Motors (B)	5	6
Durant Motors (C)	6	7
Dom. Sewer Pipe, com.	27	30
English Elec., com.	4	7
English Elec., pref.	43½	45
Famous Players, pref. 50% com.	70½	72
Gunns, Ltd., pref.	31	33
Hamilton Pantages, pref.	45	47
Hamilton Pantages, com.	1½	2½
King Edward Deb A	54	59
King Edward Deb. B	30	35
K. & S. Tire, com.	..	60
K. & S. Tire, pref.	10	13
Loew's Buffalo, com.	.75	1
Loew's Hamilton, pref.	45	47
Loew's London, pref.	5½	6
Loew's Ottawa, pref.	19½	21½
Loew's Toronto, pref.	64	68
Loblaw Groc. 2nd pref.	120	..
Massey-Harris	25	30
Mount Royal Hotel, com.	8	9
Mount Royal Hotel, pref.	40	42½
North Mexico Power, com.	13	15
Robt. Simpson, pref. 6%	90½	92½
Tiger Tire Unit	..	4
Western Grocers, pref.	30	33
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	23	26½
Can. Mortgage	67	..
Continental Life	24	28
Crown Life	98	..
Excelsior Life	33	..
Great West Life	235	..
London Loan	44	48
Manufacturers Life	56½	58½
Mercantile Trust	101	..
Monarch Life, 10% pd.	13	..
National Life $25 pd.	49	..
Ont. Equitable	..	19
Peoples Loan	70	..
Sovereign Life	19	22
Sun Life 50% pd.	175	..
Sun Life 35% pd.	135	..
Sterling Bank	88½	91
Trusts & Guar.	67	70

HOWARD SMITH PAPER

The Kinleith Paper Mills at St. Catharines, which were recently taken over by the Howard Smith Paper Company, Montreal, are now closed down. W. A. Anderson, the superintendent, having been transferred to the Crabtree division. Manufacturers of book, bond and other lines of flat papers, the Kinleith Mills have been for some time operating under the handicap of high costs owing to the absence of a suitable railway siding and unfavorable construction features. The interests behind the Kinleith Mills are closely associated with the W. J. Gage Company, Limited, Toronto, and they decided some time ago to dispose of the plant. H. F. E. Kent, of the W. J. Gage Company, is president of the Kinleith Paper Mills.

The Consolidated Mining & Smelting Co. reports ore receipts at Trail Smelter for the period June 1, to June 7, amounting to 9,901 tons, and for the year to date 201,933 tons.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING JUNE 17

	Div. Rate	Yield June 16	High For week	Low For week	Close June 17	Close June 10	Sales For week	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	6.59	181½	179½	181½	180	243	188	178
Dominion	12	6.66	181	180	180	180	75	187	180
Hochelaga	10	6.94	144	143	144	143	122	159½	143
Imperial	12	7.00	172	170½	172	170	23	179	169
Molsons	12	8.10	151½	148	148	151	45	159½	148
Montreal	12	5.00	240	237	240	238	219	248	230
Nova Scotia	16	6.32	251	251	251	253	5	260	248
Royal	12	5.57	216	215	215½	216	88	218	211
Standard	12	7.55	158½	158½	158½	159	47	168	158½
Toronto	12	7.05	170	169½	170	169	150	179	169
Union	8	7.80	103	102½	103	102½	26	109½	100
Paper—									
Abitibi, com.	$4.00	6.95	58½	56½	56½	57	1361	69	54
do pref.	7	6.86	....	....	....	....	....	103½	103
Brompton Pulp	....	....	32½	29½	30	29½	910	43	29
Laurentide	6	7.05	88	84½	84½	87	635	98½	84½
Price Bros.	2	4.76	42½	41½	42	40½	1785	45	40
Prov. Paper, com.	6	7.05	85	85	85	85	10	110	83
do pref.	7	7.77	....	....	....	....	....	97½	90
Smith, Howard, com.	6	11.53	52	50	50	51	230	75	50
do pref.	8	8.79	92	91	91	93	40	100	90
Spanish River, com.	7	6.65	107	104½	104½	105½	3482	114½	96
do pref.	7	6.27	113½	110½	111½	112	1905	119½	105½
St. Maurice Paper	6	6.66	91	88½	90	89	630	113½	83
Wayagamack	..	....	34	32	34	32	55	45	32
Steel and Steel Industries—									
B.E. Steel, com.	..	....	3	3	3	3	75	6	3
Do. 1st pref.	..	....	..	..	..	..	..	57½	35
Do. 2nd pref.	..	....	10	9½	9½	9½	470	17	8
Can. Car & Foundry, com.	..	....	43	42	43	42½	35	50	36½
Do. pref.	7	7.95	89½	86½	89½	86½	225	97	84½
Can. Foundries, com.	..	....	25½	25½	25½	20	25	31	19½
Do. pref.	..	....	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.01	66½	66½	66½	67	25	67	65
Do. pref.	7	7.95	88	88	88	86½	4	92½	85
Dominion Coal	..	....	..	..	..	..	..	80	52
Dominion Iron, pref.	..	....	37½	37½	37½	37½	5	57	31
Dominion Radiator	7	7.40	..	..	..	..	..	95	94
Dominion Bridge	4	6.34	63	63	63	63	70	80	60
Dom. Steel Corp., pref	..	....	45½	45½	45½	55	55	73	40
Ontario Steel, com.	4	9.75	..	..	..	..	..	45½	40½
Do. pref.	7	8.14	..	..	..	..	..	93	86
Canada Iron, com.	..	....	..	..	..	..	..	6	4½
Do. pref.	..	....	25½	25½	25½	25½	25	28	25½
Steel of Canada, com.	7	9.79	72	71	71	70	223	83	69½
Do. pref.	7	7.00	101	100	100	100	37	105½	99½
Milling—									
Canada Bread, com.	4	5.42	73½	72	73½	73	120	74½	63
Do. pref.	7	7.21	97½	97	97	97	26	98½	95
Inter. Milling, pref.	7	7.50	93½	93½	93½	93½	20	96½	93
Lake of Woods, com.	12	6.88	174½	174½	174½	175	15	180	167
Do. pref.	7	5.94	118½	117½	117½	115½	25	120	115½
Maple Leaf, com.	..	....	..	..	..	..	..	69	59
Do. pref.	7	7.69	91	91	91	91	24	95½	87
Ogilvie Flour, com.	12	3.89	308	305	308	305	16	350	304
Do. pref.	7	5.90	..	..	..	..	..	120½	116
Shredded Wheat, com.	8	5.81	..	..	..	..	..	138	137½
St. Law. Flour, com.	6	8.69	69	68	69	68	235	73	66
Do. pref.	7	7.77	..	..	..	..	..	91½	89
West Can. Flour	8	8.08	99	99	99	101	10	105	98
Utilities—									
Bell Telephone	8	6.13	132	129	132	129½	546	132½	125
Consumers Gas	10	6.23	161	160½	160½	162	4	166½	159
Dom. Telegraph	6	6.93	..	..	..	..	..	44½	43
Kaministiquia	8	7.54	106	106	106	108½	5	113½	104
Mackay, com.	7	6.22	112½	111½	112	111½	132	120½	110½
Do. pref.	4	6.06	66½	65½	65½	66½	206	71½	65
Mexican Light, com.	..	....	19	19	19	20	100	20	18
Montreal L. H. & Pr. Cons.	7	4.01	176½	169½	169½	172	12236	172	140½
Montreal Telegraph	8	6.40	50	50	50	49	50	52½	48
Ottawa L. H. & Pr.	6	7.05	85	85	85	85	60	86	81
Quebec Power, com.	..	....	74½	72½	74	74	129	76	64
Do. pref.	7	7.36	95	95	95	94	30	95	90
Shawinigan	7	5.24	133½	133	133	132	578	135½	118½
Southern Can. Power	$1.00	....	57	56	56	57	95	61	51½
Transportation—									
Canadian Pacific Rly.	10	6.68	149½	147½	149	148	118	154	147½
Canada Steamships, com	..	....	12½	12	12	13½	85	16	11
Do. pref.	..	....	49½	48	48	49	528	52	41½
Tractions—									
Barcelona	..	....	18½	18	18½	18½	753	20	12½
Brazilian	4	7.96	50½	49	50½	49½	2284	53½	41½
Detroit Un. Rly.	6	....	37	30	30	35½	1114	72½	30
Duluth-Superior	..	....	..	..	..	..	..	35	19½
Illinois Traction, com.	2.00	....	100½	100½	100½	99	10	101	60
Do. pref.	6	6.50	92½	92	92½	91½	14	93½	87
Minn. St. Paul, com.	4	....	..	..	..	..	..	31½	31½
Montreal Trams.	10	5.88	170	169	169	170	470	170	148
Porto Rico Rlys, com.	..	....	20½	20½	20½	20½	4	25	17
Do. pref.	7	9.92	..	..	..	..	..	75	66
Quebec Rly.	..	....	18½	17½	18	18	10	18½	14½
Toronto Railway	..	....	94½	92½	93	94½	1317	94½	80
Twin City, com.	6	11.76	51½	50	51	52	660	69	49½
Winnipeg Electric, com.	..	....	25	24	25	25	152	30	24
Do. pref.	7	9.33	76½	75	75	77½	75	85	75
Textiles—									
Can. Conn. Cotton, pref.	8	....	61	59	59	61	70	80	53½
Can. Converters	7	8.97	..	..	..	..	..	90	70
Can. Cottons, com.	8	8.24	97	97	97	97	135	111	85½
Do. pref.	6	6.81	89	88	88	88	102	91	88
Can. Woollens, com.	..	....	..	..	..	..	..	7	6
Do. pref.	..	....	..	..	..	..	..	41½	35
Dom. Textile, com.	4.00	7.01	59	57	58	59	147	66	54
Do. pref.	7	6.48	..	..	..	..	..	109½	104½
Monarch Knitting, com.	..	....	..	..	..	..	..	25	25
Do. pref.	7	10.29	68	68	68	68½	5	82	65
Montreal Cotton, com.	6	6.12	..	..	..	..	..	100	98
Do. pref.	7	6.66	..	..	..	..	..	107	104
Penmans, com.	8	5.63	142	140	140	139	20	165	134
Do. pref.	6	6.31	95	95	95	96	5	97	92
Wabasso Cotton	..	....	59	59	59	65	10	72	59
General Industrials—									
Amer. Salesbook, com.	5	....	40	40	40	40	10	47	38½
Do. pref.	7	8.04	97½	86½	87½	87½	34	95	86½
Asbestos, com.	..	....	..	..	..	..	..	35	24
Do. pref.	6	10.90	57½	55	55	54½	55	62	52
Atlantic Sugar, com.	..	....	14	13½	13½	13½	30	21½	13½
Do. pref.	..	....	..	..	..	..	..	51	39
Bird & Son, pref.	7	8.14	..	..	..	..	..	89	86
B.C. Fishing	..	....	..	..	..	..	..	15½	8
Burt, F. N., com.	10	7.69	130	130	130	129½	35	137½	125
Do. pref.	7	5.14	..	..	..	..	..	136	136
Canada Cement, com.	6	6.83	89½	87½	87½	88½	585	93	83½
Do. pref.	7	6.68	104½	104	104½	104½	139	108	102½
Can. Gen. Electric, com.	6	5.66	..	..	..	..	..	58½	52½
Do. pref.	7	6.82	53	51½	52	53	157	54	51½
Can. Indust. Alcohol	6	....	28½	27½	28½	27½	1435	28½	26
Canadian Salt	8	7.14	112	112	112	112	10	115½	109
Carr. Factories, com.	..	....	..	..	..	..	..	2½	½
Do. pref.	..	....	17	17	17	15	50	17	15
City Dairy, com	10	5.07	49½	48	49½	48	390	49½	40½
Do. pref.	7	6.39	110	109½	110	109	25	110	104
Crows Nest Coal	6	13.04	..	..	..	..	..	51½	46
Cuban Can. Sugar, com	...	....	6½	6½	6½	7	100	13	6
Do. pref.	..	....	35	33	33	36	110	54	33½
Dom. Canners, com.	..	....	26½	25	26	26	133	35½	20½
Do. pref.	7	9.19	87	85½	87	84½	5	90	82
Dominion Glass, com.	7	6.68	107½	104½	105	106½	450	110	102½
Do. pref.	7	6.60	106	106	106	106½	15	107	103
Dominion Stores, com.	1.00	....	24½	24½	24½	24½	10	30	24½
Do. pref.	8	9.19	..	..	..	..	..	90	81
Davies, Wm. (A)	..	....	..	..	..	..	..	20	15
Eastern Theatres, com.	..	....	..	..	....	..	..	14½	12
Do. pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	....	..	..	..	..	..	485	465
Goodwins, com.	..	....	..	..	..	..	..	48½	20
Do. pref.	7	7.77	..	..	..	..	..	95	69½
Goodyear Tire, pref	7	9.55	74½	71½	71½	75	42	81½	72
Frontenac Brew., com	..	....	69	69	69	70	25	70	60
Do. pref.	7	7.60	92	91½	91½	90	13	122	90
Holt, Renfrew, pref.	7	13.20	..	..	..	..	..	66	52
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Edward Hotel	..	....	..	..	..	..	..	21	21
Lyall Construction	..	....	..	..	..	..	..	21	10
Macdonald, A.	..	....	..	..	..	..	..	5	4
National Breweries, com.	4.00	7.92	52	50	50½	51	715	56½	48½
Do. pref.	7	7.07	99	99	99	99	25	100	95
Pacific Burt, com.	6	6.15	..	..	..	..	..	101	97
Do. pref.	7	6.93	..	..	..	..	..	106	100
Port Hope Sanitary, com	..	....	..	..	..	..	..	50½	49
Do. pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	....	..	..	..	..	..	70	45
Do. pref.	7	7.91	..	..	..	..	..	100	86
Russell Motor, com.	..	....	..	..	..	..	..	18	17½
Do. pref.	7	14.00	..	..	..	..	..	56	48
Sherwin-Williams, com	6	6.00	..	..	..	..	..	110	100
Do. pref.	7	7.10	..	..	..	..	..	103	98½
Sterling Coal	4	9.87	41	40½	40½	41	60	44	40
Tuckett Tobacco, com.	4	6.66	60	60	60	61½	5	64½	57
Do. pref.	7	7.21	..	..	..	..	..	97	92½
Woods Manufacturing, com	..	....	..	..	..	..	..	35	28
Do. pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10	6.25	80	80	80	80	2	86	80
Can. Permanent	12	6.70	182	179	179	181½	19	187	179
Colonial Invest.	6	....	..	..	..	..	..	7	4½
Hamilton Prov.	10	6.84	..	..	..	..	..	146	141
Huron & Erie	7+½	6.00	..	..	..	..	..	125	120
Landed Banking	9	6.33	142	142	142	142	3	142	139½
Montreal Loan	12	6.48	..	..	..	..	..	46½	46½
National Trust	12	5.66	..	..	..	..	..	215	210
Real Estate Loan	7	8.23	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.81	206½	206½	206½	208	5	210	202
Toronto Mortgage	10	5.86	..	..	..	..	..	85½	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

POSITION WANTED

Capable and intelligent accountant desires appointment. Good personality. Varied experience covers several years. Married, no family.

Box 30, The Financial Post

The Real Estate Loan Company of Canada Limited

No. 28 Wellington Street East, Toronto

NOTICE IS HEREBY GIVEN that a dividend at the rate of three and one-half per cent. for the half-year ending 30th inst. has been declared upon the Capital Stock of the Company and that the same will be payable at the Offices of the Company on and after the 2nd day of July, 1924, to Shareholders of record of 16th June, 1924.

By order of the Board.

E. L. MORTON,
Managing Director.

Toronto, 13th June, 1924.

DETROIT UNITED

There was another severe break in Detroit Electric during the past week, the issue declining from 37 to 30, but Wednesday saw a substantial recovery. Doubt as to the dividend policy has caused some uneasiness about the future of the stock.

CREDIT-CANADA, LIMITEE

DIVIDEND

NOTICE IS HEREBY GIVEN that a dividend of 2 per cent., being at the rate of 8 per cent. per annum, on the paid-up Preferred Stock of this institution has been declared for the current quarter, payable on and after Saturday, June 14, 1924, next, to shareholders of record May 31, 1924.

By Order of the Board.

LUC ROCHEFORT,
General Manager.

Montreal, May 31, 1924.

JAMES W. SEWALL
Consulting Forester.
OLD TOWN, MAINE.
Largest Cruising House in America.

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UNLISTED SECURITIES
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Dominion Textile Company, Limited

Annual Report For the Year Ended March 31st, 1924.

LIABILITIES

Capital — Common Stock, Authorized and Issued 225,000 shares of no par value	$15,000,000.00	
Capital — Preferred Stock	1,940,600.00	
Bonds	6,939,250.00	
		$23,879,850.00
Deposits	$ 61,542.42	
Open Accounts (including Reserve for Income Tax)	552,891.81	
Allowance—Wages	170,000.00	
" —Interest on Bonds	34,700.00	
" —Preferred Dividend	33,960.50	
TOTAL LIQUID LIABILITIES	$ 853,094.73	853,094.73
Reserve—For Pension Fund, Bad Debts, etc.		366,552.43
Profit and Loss Account		5,390,002.90
		$30,489,500.06

ASSETS

Land, Buildings and Machinery (Less Depreciation)		$20,178,023.65
Raw Cotton	$ 1,321,402.34	
Stock Mfg. and in Process	835,981.72	
Supplies	337,727.39	
Cash and Bills Receivable	1,232,137.76	
Open Accounts	2,622,460.02	
Insurance	163,000.00	
Investments	3,798,767.18	
TOTAL LIQUID ASSETS	$10,311,476.41	10,311,476.41
		$30,489,500.06

C. B. GORDON, President.
F. G. DANIELS, Director.

The President and Directors
DOMINION TEXTILE COMPANY, LIMITED

Gentlemen:—

We certify that we have audited the financial books and records of the DOMINION TEXTILE COMPANY, LIMITED, for the year ended March 31st, 1924, and that we have obtained all the information and explanations required by us.

In our opinion the above Balance Sheet and Relative Profit and Loss Statement are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

(Signed) P. S. ROSS & SONS, Chartered Accountants,
Montreal, May 16th, 1924. Auditors.

Profit and Loss Account for Twelve Months Ended March 31, 1924

Mar. 31st, 1923—Balance at Credit	$5,359,910.51
Mar. 31st, 1924—Manufacturing Profit	1,604,607.50
Mar. 31st, 1924—Interest on Investments	162,922.06
	$7,127,440.07
Mar. 31st, 1924—Interest on Bonds and Rent Account	$ 659,513.88
Reserve for Bad and Doubtful Debts and Pension Fund	42,081.29
Dividend—Preferred Stock	135,842.00
" —Common Stock	900,000.00
Balance at Credit	5,390,002.90
	$7,127,440.07

C. B. GORDON,
F. G. DANIELS,
Directors.

Audited and Verified,
P. S. ROSS & SONS,
Chartered Accountants.
Montreal, May 16th, 1924.

The Correct Floor for Fine Offices

The correct flooring for a splendidly furnished office or board room is Red Deer brand Selected Red 13-16 Birch. This flooring is unsurpassed for great richness of tone and color, maintains a high gloss, and is as smooth as a mirror. Red Deer brand Birch is much in demand for offices, schools, colleges, homes, apartment houses, and other large buildings. For particulars write Muskoka Wood Mfg. Co., Limited, Huntsville, Ontario.

Red Deer brand birch Hardwood Flooring

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TORONTO

A FOREIGN CONCERN

is planning to establish an oil-gasoline distributing and refining business in Canada. Would prefer to acquire a partial or entire interest in some going concerns which could be continued under their old names. Correspondence confidential. Address in first instance Gasoline, c/o The Financial Post, 153 University Ave., Toronto.

$1750

Well-timbered building lot, convenient to Yonge Street on paved road.

H. R. Douglas
Elgin 3308 Mail Bldg.

SAFE INVESTMENT

An opportunity is offered interested parties to acquire stock in a privately owned Corporation in Ontario, and which stock has never been on the market.

The Factory has been in operation over fifty years, and the entire Plant and equipment is in first-class condition.

The Company manufactures a well-known brand of staple Hardware lines, marketed almost exclusively through the jobbers, and also has very desirable export connections in nearly every foreign country.

Correspondents are invited to write to
Box 24, Financial Post

Shaw Correspondence School Toronto

Courses in Com. Art, Shorthand and Secretarial Work, Higher Accounting, Economics, Story Writing, etc., are given under real service conditions. Booklets sent on request. Write W. H. Shaw, Dept. D.M., 46 Bloor West, Toronto.

DOMINION TEXTILE WRITES UP PLANT BY FIVE MILLIONS

Excellent Financial Position Result of Years of Sound Business

PROFITS LOWER

Financial Statement For Year Just Closed Shows Lower Profits Than in the Last Year That Was Recorded

From Our Own Correspondent.

MONTREAL.—The remarkable record of Dominion Textile Company in serving the Canadian public is revealed in a striking sentence in the annual report of the president, Sir Charles B. Gordon. Sir Charles says that in the nineteen years that this company has been in business it has manufactured and sold $261,000,000 of textiles. Profits distributed to shareholders in the form of dividends declared during that period have amounted to 2½ per cent. on the sales. Even allowing for the profits that have not been distributed but that have been retained in the business in the form of working capital and plant extensions it will be seen that returns to the investors in Dominion Textile, while they have been greater and more stable than in most industrial corporations have been but a moderate addition to the actual costs of the company's goods.

Profits Down This Year

Textile's report this week showed a decline in earnings from the figures of two years ago but not to the degree that had been anticipated by many. In fact profits held up very well considering the short hours on which the plants have been operated during a large part of the year. Profits cannot be compared with the previous year. Textile issued no statement a year ago, due to the reorganization of the company by a split-up of stock on a three-to-one basis. Examination of the balance sheet indicates however that the company's profits for 1922-1923 must have been highly satisfactory for there is a healthy increase in working capital and a very large reduction in bonded indebtedness.

Net operating profits amounted to $1.604.607 for the year. The distribution of this total, with comparisons for the last three years for which reports are obtainable was as follows:

PROFIT AND LOSS ACCOUNT

	1923-24	1921-22	1920-21
Profits	$1,604,607	$1,768,861	$1,780,938
Interest	162,922	138,376	150,072
Total	$1,767,529	$1,907,237	$1,931,010
Rentals	....	....	31,416
Balance	$1,767,529	$1,907,237	$1,899,594
Bond int.	659,513	*750,286	524,359
Welfare	....	....	45,420
Bad debts	42,081	50,000	110,423
Balance	$1,065,935	$1,106,951	$1,219,390
Pref. div.	135,842	135,842	135,842
Avail. com.	$ 930,093	$ 971,109	1,083,548
Com. div.	900,000	600,000	500,000
Surplus	$ 30,093	$ 371,109	$ 583,548
Prev. sur.	5,359,910	4,636,591	4,053,044
Total sur.	$5,390,003	$5,007,700	$4,636,591

*Including bond discount and rent account provisions.

Working Capital Near Ten Million

The excellent increase in the working capital account of the company was sufficient to bring this to within $600,000 of the ten million dollar mark. Working capital as indicated by this balance sheet as of March 31 last and at the end of the 1922 fiscal period was as follows:

	1923-4	1921-22
Current assets . . .	$10,311,476	$9,903,459
Current liabilities.	853,094	1,758,559
Working capital . .	$ 9,458,382	$8,144,900

Sales Were $21,000,000

In his report to the shareholders Sir Charles Gordon has the following comments to make:

"Sales for the year amounted to $21,022,284.92, compared with $21,305,925 62 last year, and the surplus for the year after deducting all charges, amounts to $30,092.39 This amount has been placed to the credit of profit and loss account, which now stands at $5,390,002.90.

"Although the sales, as previously stated, were $21,002,284.92, the amount is disappointing, as our plants, in their present state of efficiency, are capable of turning out a much larger production.

"You will doubtless be interested to know that during the past year we paid the Dominion government approximately $1,320,000 as income, sales, excise tax and customs duties.

"Since the organization of this company, some nineteen years ago, it has manufactured and sold two hundred and sixty-one million dollars' worth of cotton goods. During that time an amount equal to 2½ per cent. on the sales was distributed in dividends on common stock.

"Since the last report the outstanding bonds have been reduced by the sum of $2,060,750, and the total bond indebtedness now amounts to $6,939,250.

"The strong financial position of the company is due, largely, to the great increase in value of the various properties which were acquired in 1905. These properties were in a demoralized state at the time, but had great potential value, which fact has been completely demonstrated, and have gradually been brought to a high state of efficiency."

Elsewhere in the balance sheet an important feature is to be found in the revaluation of plant, which placed this item at $20,178,023, as compared with $15,497,654 two years ago. This change obviously arises out of the reorganization of the company in 1923. Accounting for a part of this change reserves are down from $2,694,254 to $366,552. Common stock is shown at $15,000,000, as compared with $5,000,000, while bonds are $6,939,250, as compared with $9,000,000.

Merge Three Peace River Oil Companies in One

Saskatoon.Western Provinces Oil is a new Dominion company, organized to absorb the holdings of Victory Oils, Albersas and the Keystone, all Saskatoon concerns and operating in Peace River district. The interests of all companies will be pooled and the share exchange on a basis of dollar for dollar. Victory Oils drilled the first well in the Peace River and Keystone took over most of the assets of Peace River Petroleum. A. W. Caswell, C. A. Needham, C. G. Locke, C. F. Graham and John Laycock are personal heads of the new concern.

NEW CAPE BRETON MINE OPENS; WILL LAST 100 YEARS

Costly Equipment Installed, Designed to Mine Well Under the Ocean

From Our Own Correspondent.

SYDNEY.—With the expectation that it will produce coal continuously for the next 120 years, the Dominion Coal Company this week begins operation of its new colliery at O'Neil's Point, C.B. Preliminary construction has occupied about two years, costing about $2,500,000. The capacity will be 2,500 tons daily and the amount of available coal recoverable by present methods of submarine mining is 100,000,000 tons. The mine is on the coast line. It taps the Phalen seam, which was formerly worked from No. 1 at the town of Dominion, two miles inland. From this old shaft the land deposits were worked, and then gradually the tunnels extended out two miles more under the ocean. Finally things got to a point where the long haul of over 20,000 feet from face to shaft made mining almost impossible. The new mine resulted. Old No. 1 will now be deepened to tap underlying seams.

Everything about the new pit has been built with the idea that it is to be used for a century or more. Stone dust treatment minimizes the danger of mine explosions, and everything possible is to be electrically operated. Electric locomotives are to haul the 2½-ton coal tubs, or boxes, of which there are 700 of a new, superior type equipped Timken roller bearings. If experiments show that it can safely be done, electric coal cutting machines will replace the compressed air radials now in use.

Here is one example of the greater efficiency of this mine. The success of any such venture depends finally upon the number of men who actually cut coal at the face. In old No. 1, there were only 27.4 per cent. of the staff at the face, 53 on datal (non-productive) work underground, and 19.6 on the surface. In the new pit 47.2 men will be at the face producing coal, 37.5 underground, and 15.3 on the surface, thus greatly reducing the cost of production per ton.

OIL INTEREST IN S. ALBERTA GROWS

Area Near Rogers—Imperial Well is Facing Big Activity —Will Sell Gas

LETHBRIDGE, Alta.—Gas from the Rogers-Imperial giant well will likely go to the Western Canada Natural Gas, Light, Heat and Power Co. of Calgary. Negotiations are proceeding. The well will be connected up with the new pine-line, soon to be commenced out of Foremost north to the Bow Island line, a matter of some 25 miles. It is understood the price that will be paid the Canadian Oil and Refining Co. for the gas is 10 cents per thousand.

A persistent rumor current is that Canadian Oil and Refining may sell the holdings, well and drilling rig to a subsidiary of Standard Oil Company, presumably Imperial Oil Company, part owners of the well. The Gladys-Belle Oil Co., one of the independent group, own some 15,000 acres of leases surrounding the Rogers-Imperial well, and it is understood the Tulsa people will put down a test well. Belief that oil underlies the tremendous gas reservoir is strong among oil men here and a deep test of the structure is certain to be made.

The McDonald Syndicate, a company promoted by D. A. McDonald, of Vancouver, are rigged up ready to spud in a well on their holdings south of this city some 35 miles. The well will be put down on the McIntyre. Ranch, the syndicate having 20,000 acres secured in one block from the McIntyre Ranching Co. of Lethbridge and Salt Lake City. This land, secured in the early days, carries the mineral rights. Nothing definite has yet been learned of the amalgamation of the Baalim, McLean-Mitchell and Moodie companies and the reorganization of border interests by Melbourne, Australia, interests, but companies involved state the deal is still pending. If it is successfully consummated a million dollars in new money will be used in searching for oil on the Canadian side of the line.

NEW PRESIDENT HAMILTON BRIDGE

George M. Hendrie has been appointed President of the Hamilton Bridge Works Co. to fill the vacancy caused by the death of his brother, Col. William Hendrie.

TORONTO STOCK EXCHANGE

Robert Cassels was elected president of the Toronto Stock Exchange at the annual meeting, succeeding J. C. Fraser, who has been president for the past two years. The other officers who were elected were: G. G. Mitchell, vice-president; Avern Pardoe, treasurer; and C. E. Abbs, secretary. The committee consists of Messrs. Morrow, Mara and Blaikie.

CHANGE IN MAPLE LEAF'S POSITION IS QUITE EXTENSIVE

Company Has Made General All-Round Improvement —1924 Earnings Higher

Net profits of Maple Leaf Milling for the year ending March 31, totaled $334,061. This is a material improvement, the 1923 total standing at $235,841. Bond interest appeared as an added expense this year, totaling $65,063, and preferred dividends, $205,100, leaving $63,898 available for common shareholders, or more than double the 1923 amount of $30,841, or 2.56 per cent. compared with 1.23 per cent.

The report for the year reveals the position of the company as a strong one. The balance forward from 1923 was $1,664,852. After all dividend payments, and taking care of the $37,304 deficit on the amalgamation of Mile End Milling Co., the balance now stands at $1,641,447.

The 1923 report showed heavy bank borrowings, standing at $5,717,703, and the new report shows this standing at $1,711,298. At the same time, accounts payable are cut from $4,867,186 to $1,687,364, or a total reduction in current liabilities of $7,186,227. This was brought about first by liquidating some of the investments which are reduced from $4,805,671 to $2,198,113, and by the placing of a $2,000,000 bond issue along with the liquidation of inventories and collection of accounts receivable. Accounts receivable, which stood at $1,659,472, were practically all taken care of. Inventory to-day stands at $3,000,000, while accounts payable are counter balanced by accounts receivable. Liquid assets show a surplus of $3,700,000 over immediate liabilities. President James Steward points out:

Real estate, buildings, plant and equipment is carried at $6,610,000, besides which there is in reserve for depreciation $1,494,416, and bad and doubtful accounts are provided for to the extent of $89,586. During the year the company increased its exports of flour in comparison with the preceding fiscal year. He expressed the expectation that the Maple Leaf Co., in common with other Canadian mills, will experience a further expansion in the export business both European and Oriental.

Flour milling is indigenous to the Dominion of Canada, if any business is, and it is hoped that having regard to the general high standard of living in Canada, the governments of the day will see that no obstacles by way of unreasonable freight rates or otherwise are put in the way of competing with the mills of other countries. There is no protection in the flour business and none is sought, but at the same time, it should be seen to that no surmountable difficulties are allowed to retard the development of the industry.

Profit and Loss figures.

	1924	1923
Bal. forward	$1,664,852	$1,834,111
Earnings	334,061	384,456
From invest.	......	260,663
	$1,998,913	$2,479,230
Less:		
Bond interest	$ 65,063	$ 349,507
Pref. div.	205,100	205,100
Com. div.	50,000	200,000
Income tax	......	59,772
Deficit Mile End mill	37,304	......
Bal. forward	$1,641,446	$1,664,852

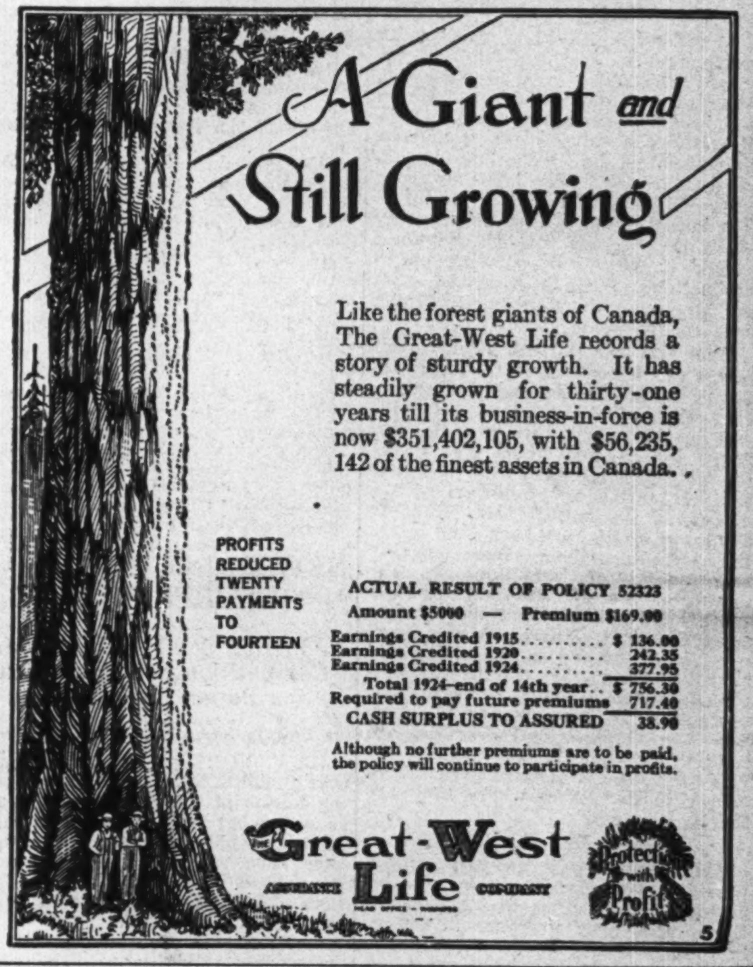
GREAT WEST LIFE DIVIDEND

The Great West Life Assurance Company of Winnipeg has declared a dividend of 10 per cent. for the first six months of 1924, or at the rate of 20 per cent. per annum. Heretofore the rate has been 15 per cent. per annum. The dividend is payable July 2 to shareholders of record June 20.

Smoke OLD CHUM
The Tobacco of Quality

Sealed Package (which keeps the tobacco in its original condition) 15¢

also in ½ lb. tins
Manufactured by Imperial Tobacco Company of Canada Limited



A Giant and Still Growing

Like the forest giants of Canada, The Great-West Life records a story of sturdy growth. It has steadily grown for thirty-one years till its business-in-force is now $351,402,105, with $56,235,142 of the finest assets in Canada.

PROFITS REDUCED TWENTY PAYMENTS TO FOURTEEN

ACTUAL RESULT OF POLICY 52323
Amount $5000 — Premium $169.00

Earnings Credited 1915..........	$ 136.00
Earnings Credited 1920..........	242.35
Earnings Credited 1924..........	377.95
Total 1924–end of 14th year..	$ 756.30
Required to pay future premiums	717.40
CASH SURPLUS TO ASSURED	38.90

Although no further premiums are to be paid, the policy will continue to participate in profits.

The Great-West Life Assurance Company
Protection with Profit

The Guardian Assurance Company

Established LIMITED 1821

THE ANNUAL GENERAL MEETING of this Company was held in London on the 28th May, 1924, when the Directors' Report was presented.

FIRE DEPARTMENT

THE FIRE PREMIUMS, after deducting re-insurance, amounted to £898,323 18s. 11d., as against £964,199 10s. 11d. in 1922, and the Net Losses to £431,479 7s. 10d. (48.03 per cent. of the Premiums), as against £521,331 8s. 7d. in 1922.

THE EXPENSES OF MANAGEMENT, including Fire Brigade charges and Commission, together amounted to £399,714 8s. 2d., being 44.9 per cent. of the premiums.

FIRE ACCOUNT

	£	s.	d.		£	s.	d.
Amount of Fire Insurance Fund at the beginning of the year, viz:				Claims under Policies paid and outstanding..................	431,479	7	10
Reserve for Unexpired Risks.......	482,500	0	0	Commission..................	135,565	6	5
General Reserve Fund..............	660,000	0	0	Expenses of Management	254,576	6	4
Investment Reserve Fund at the beginning of the year............	103,000	0	0	Contributions to Fire Brigades.....	9,572	15	5
Premiums	898,323	18	11	Bad Debts	401	16	1
Interest, dividends and rents (less Income Tax)	49,933	18	2	Loss in Exchange	60	6	11
				Transfer to Profit and Loss Account	88,101	18	1
				Investment Reserve Fund at the end of the year	103,000	0	0
				Amount of Fire Insurance Fund at the end of the year, viz:—			
				Reserve for Unexpired Risks.......	450,000	0	0
				General Reserve Fund	721,000	0	0
	£2,193,757	17	1		£2,193,757	17	1

Funds of the Company as at December 31st, 1923

	£	s.	d.		£	s.	d.
Capital paid up	1,012,965	10	0	Staff Pensions Fund	76,328	0	0
Life Assurance Fund	5,044,348	11	4	Official Fidelity Guarantee Fund...	6,041	16	0
Fire Insurance Fund	1,171,000	0	0	Investment Reserve Fund	420,100	0	0
Accident, Burglary, etc.	374,200	0	0	Profit and Loss Account	180,444	16	7
Marine Insurance Fund	313,152	6	5		£8,725,912	11	3
Redemption Assurances Fund	127,331	10	11				

Head Office for Canada
GUARDIAN BUILDING, MONTREAL
H. M. LAMBERT, Manager B. E. HARDS, Assistant Manager

BARCELONA PLANS MATERIAL CUT IN ITS FUNDED DEBT

Meeting in London Next Week to Consider Reorganization of Finances

CHANGE IN INTEREST

Will Make Payments in Spanish Funds and Offer Other Options to Those Inconvenienced

With the idea of simplifying the finances, Barcelona's reorganization plan has been prepared and holders of 6 per cent. first mortgage bonds and 5½ per cent. income bonds will meet in London next week to consider the details. The proposal is, reduce the amount of prior lien "A" bonds outstanding from £1,660,000 to £1,000,000, partly by a voluntary exchange of that portion of the issue which is expressed in pesetas for the 7 per cent. collateral Spanish bonds and partly by the purchase and cancellation of a portion of the bonds of the sterling issue. In addition, the "A" bonds now lodged as collateral will be released and cancelled. In 1920-22 an opportunity occurred through the weakness of the French exchange of acquiring £2,000,000 of prior lien "B" bonds by the issue of £1,100,000, 8 per cent. debentures secured by the "B" bonds. It is now proposed to redeem these debentures at 106 per cent. and so free the collateral. The existing issue of £3,000,000 prior lien "B" bonds, most of which are now held as collateral for the 8 per cent. secured debentures, is to be increased to £5,000,000, carrying interest not exceeding 6½ per cent. and in future will be designated as "Consolidated 6½ per cent. Prior Lien Bonds." In order to carry out the arrangement outlined, it is proposed to sell forthwith by public issue approximately £2,800,000 of the total of £5,000,000 bonds.

Alternatives are to be offered in the matter of interest as payment in pesetas may not be convenient to all. The alternative options are:

(1) Cashing peseta coupons in sterling in London or in francs in Paris and Brussels, respectively, at the mean rates of exchange ruling on the last business day immediately preceding the date on which the interest coupons are presented for payment. At the present rate of exchange prevailing between Spain and England, viz., 32.00, this would give the bondholders over 4¼ per cent. in sterling instead of the 3 per cent. which they are now receiving.

(2) Surrendering bonds or any part thereof to the company for exchange on basis of £20 each and $300 par value of 7 per cent. non-cumulative participating preference shares of the company for every £100 par value of bonds surrendered, such preference shares ranking pari passu with the existing preference shares issued. This option to be exercised within 35 days after the supplemental trust deed giving effect to the proposed modification in the bonds has been executed.

The bond holders' committee in dealing with the proposed changes, point to the crisis in Barcelona affairs back in 1915 when bankruptcy threatened.

At that time, the holders of the first mortgage bonds, then bearing interest at 5 per cent., were in grave danger of losing the whole of their investment. Since then the financial position of the company has much improved, and the committee is of the opinion that, if the reorganization now proposed is carried through, the bonds will gain in value and their income will be increased. They state in their report that:

". . . the weakness of the company's finances has always been in its having too large a funded debt and a very large amount of bond interest payable in sterling. As the earnings of the operating companies are received in pesetas, it might not be possible in the case of a severe depression of the Spanish currency, to pay any of the contingent part of the interest on the first mortgage bonds. It is, therefore, very desirable, both for the first mortgage bondholders and the company, that the annual charges should, as far as possible, be payable in pesetas.

"The payment of the interest in pesetas is an objection, but when bondholders realize that the interest now payable is very largely dependent upon the rate of exchange and that any material fall in the value of the peseta would immediately affect the amount of interest they now receive, the committee believe bondholders will agree that the proposal is not so radical as at first appears, while the immediate increase in the rate of interest and the substantial improvement in the security are very real advantages which could only be obtained on the one hand by changing the method of paying the interest and on the other by reducing the amount of the outstanding bonds by at least one-half. This reduction the company are able to accomplish through the assistance of a Belgian group, some of whom have been interested in the company from its inception and are holders of large blocks of the company's securities, including the first mortgage bonds and the 7 per cent. preference shares, and who are anxious to see the financial position of the company improved and the value of the junior securities enhanced. This group are giving the company their undertaking that on the change in the first mortgage bonds being effected they will exercise the option referred to above and surrender to the company £4,100,000 of their holding of first mortgage bonds." The general effect of carrying out the proposals as outlined would be to reduce the total amount of the funded debt of the company now in the hands of the public by £3,031,926.

The company's outstanding $8,483,500 preference shares were originally taken up in 1913 for cash by a number of the large bondholders; to provide for the option offered to the holders of the first mortgage bonds the present authorized preference shares is to be increased from $12,500,000 to $30,000,000. It is proposed to reduce the nominal value of the ordinary shares of the company from $100 to $50. Had a full reorganization been carried out in 1915, which under the circumstances then existing was impossible, the ordinary shares would have been wiped out or the shareholders would have been called upon to make a heavy contribution in cash.

The scheme is admittedly somewhat complicated, but if looked at from a broad point of view the committee believe that it will be found to be one of general advantage to the company and to the holders of every class of security. In no case is a sacrifice called for which is not compensated by some greater advantage. The committee has no doubt that if the changes outlined are carried out the credit of the company will be greatly enhanced and the anxieties inherent in an excessive funded debt and the very large amount of interest payable in sterling will be relieved.

RESULTS GREATER THAN EXPECTED IN STANDARD RELIANCE

Deficit is Reduced Considerably During Year—Land Sales Fall Off

Standard Reliance Assets deficit now stands at $412,062, having been reduced $83,878 the past year, according to the annual report. In the year the preferred shareholders got $351,848, bringing the total distribution from the assets to date up to $1,677,808. The amount still to be met, if possible, is $3,668,540. Besides these payments, $875,054 has been on mortgages, loans, and in protection of assets.

Land sales by the company for the year totaled $564,763. There was a considerable falling off in the last six months. None of the large, down town properties in the city of Toronto have been disposed of. The report states that results to date have justified the methods and plans of realizing on the assets, and it is stated, that the directors feel that the results will be even greater than were at first expected.

The report states:

"As a result of the company advancing moneys to protect certain of their equities in lands and claims against other companies, the profits which otherwise would have been lost to the companies have been and will be made, which will very considerably reduce the amount of the existing deficit. Such profits as have already been made, and the profits to be derived from the increased value of lands in and around Toronto, caused through the building activity of 1922, are not reflected in the balance sheets presented, and it is not intended that they should be added to the value of the company's assets until collections effected make their recovery beyond peradventure."

During the year mortgages against properties owned by the Standard Company were paid to the extent of $80,000. Trust fund and moneys received upon collateral mortgages were refunded to the extent of $18,526. Payments to the London Loan Company for the Dovercourt Company amounted to $44,455, and advances for the payment of taxes, insurance, interest, etc., in respect of properties mortgaged to the Standard Company (which sums are recoverable) amounted to $65,556, making total disbursements in this connection during the year of $208,527.

Dovercourt Land, Building and Savings Company, Limited, paid off mortgages on properties owned by it, amounting to $29,040, and paid off loans against the company's securities amounting to $142,500. As a result of extensive negotiations the company has attained a release of its guarantee in respect to the payment of taxes on lands owned by the British Land Company, and also a release of a long-term lease the company held on certain non-producing vacant lands in the city of Toronto, thereby relieving the Dovercourt Land, Building and Savings Company, Limited, of a considerable liability.

The operating surplus of the Dovercourt Land, Building and Savings Company for the year was $34,400, an improvement of $12,587 over the previous year, and an improvement of $89,188 as compared with the year ending December 31, 1920.

Assets are shown to consist of interest in Dorra Court Land, valued at $1,498,700, which is covered by real estate, etc., the equity in which assets is shown as $1,498,711. This added to realty holdings, Standard Reliance totals $2,137,575; mortgages recurrable, and other investments, total $1,095,494, and other miscellaneous assets bring the total to $3,258,098.

Strained Relations in Mines Strike Continue

LETHBRIDGE, Alta.—Strained relations continue between District 18, U. M. W. of A. and the international body at Indianapolis. Threats of an open breach with the International, and withdrawal from that organization are heard, drastic action at Fernie, B.C., being only averted by the timely arrival on the scene of President Wm. Sherman, youthful chief in District 18, who promised the men $3,000 in strike relief immediately. Rumblings are heard in all parts of the district over the tardiness of the International in forwarding strike relief, the men recalling pledges made by John L. Lewis, International president, before the strike, that District 18 would get full moral and financial backing in the event of a "coal war." The men went out April 1, and thus far virtually nothing has been paid out by the district. Some relief has been dispensed here, but it has been local union funds.

The United States Government will close its books for this fiscal year on June 30, with a surplus of between $350,000,000 and $400,000,000, Director Lord of the Budget Bureau informed President Coolidge.

ANOTHER BRITISH MILLING HOUSE IS LOOKING OVER WEST

Jas. Rank, Ltd., Has Representative Now Studying Grain Conditions on Prairies

From Our Own Correspondent.

CALGARY.—Since it became known that Spillers intended to operate in Alberta, the province has received an increased attention by Old Country millers. James Rank, of the firm of Joseph Rank, Limited, of London, Eng., the largest privately-owned milling concern in Britain, operating on quite as large a scale as Spillers, is now here. During the past season this firm shipped something like 140 cargoes to the United Kingdom, from Vancouver and eastern ports. The company controls about ten of the most important flour mills in the Old Country, and has ramifications in every part of the globe where wheat is grown. For a considerable time they have been closely connected with the Argentine, where the company controls a string of elevators.

Mr. Rank, in an interview with THE FINANCIAL POST, said his company were much interested in the development of Western Canada, especially Alberta. They are satisfied that prairie wheat is among the finest they secure. The object of his visit, he said, was to secure first-hand information on many points connected with the wheat possibilities of the province. From his remarks one concludes that Spillers may soon have a rival in their new field.

All the shares of the company are owned by members of the Rank family.

PEOPLE REBELLIOUS BECAUSE OF EXASPERATING TAXATION

(Continued from page 3)

your singular position, in that the misfortune of the war played, and continues to play so important a part in your great business. Your opportunity came in the necessary issuance of immense bodies of government obligations, which cost you no effort, but for which buyers had to be found. You have been remarkably able and resourceful in establishing broad markets for these investment securities, and we have shared in your just pride of accomplishment, yet the measure of these securities tells the story of the country's burden, and the tribute which must be collected annually from production to meet the charge.

Disruption of U. F. O.

There is impatience with anything which causes personal discomfort, and it is popular at the moment to consider struggle as a penalty which should be removed by legislation or regulation. Do we not overlook that struggle is a vital factor in human accomplishment?

The humorist who interpreted the organization of the Ontario farmers, designated U. F. O. as "Us For Ourselves," stated a truth unfortunately characteristic of the times, in urban as well as rural communities. Recent disclosures establish that we have been penetrated by the vulgar corruption of materialism, and Canada has suffered much discredit within and without her borders by flippant disregard of elementary moral standards in high places.

It will not do to reply to references to pioneer days and the deep obligation to our fathers who toiled and sowed that we might reap, that these days are gone, and will not come back. No sensible man supposes they will, or that the days of his boyhood were better than these days. They were not. But the personal courage and spirit of the pioneer to meet and overcome the troubles of his day can be repeated in the personal courage and spirit of the men of to-day, to meet and overcome the troubles of to-day. Was ever such courage, and spirit, and fortitude in war in any age, as during the recent world struggle? We must command a similar spirit in these anxious days of peace, if such term can be applied to this troubled period. Wherefore, being surrounded by so great a cloud of witnesses, let us run with patience the race which is set before us. Since when, gentlemen, since when, are struggle and effort, and an uphill fight, things to fear, and from which we should run, or ask that others should undertake for us?

The Business Outlook

How can we expect freedom from anxiety in Canada when the world bears such a burden of care? Yet there is insufficient cause for our voice being heard among the discontented grumblers. Compared with others engaged in the war, we have had few serious material losses; indeed, we have but recently passed through a period which established the greatest increase in wealth in the history of the country, wealth distributed commonly in every province of the Dominion, and which has been the forerunner of improvident expenditures in private life, and in the activities of governments, municipal, provincial and federal. We can well accept our present moderate discomforts with dignity and restraint. Business has been much disturbed by unseasonable weather. I frankly accept that manufacturers and business men in the East are concerned in the immediate outlook. There is concern among agriculturalists and business men in the West. Some of this concern arises from causes which are uncontrollable, and we must make the best of them; some from causes traceable to ourselves, and which we should apply ourselves to correct, and stop the foolish practice of blaming them upon others, and upon conditions outside our control; some, it is stated, are caused by parliamentary action or inaction, and these will be determined by parliamentary practice. Some, too common in the East and West, are not troubles, mere petulant, and in view of the world's sorrows, unworthy discontent. For contentment, remember, is not found in a state of pocket, but in a state of mind and heart. It is still true what was long ago stated with authority: "A man's life consisteth not in the abundance of the things which he possesseth."

Working Out the Solution

Where, under the circumstances, lies the chief remedy—not the only one, remember—I am but stressing the chief remedy to you who should be red-blooded men. Where it lies in all troubles which overtake men—in the courage and purpose and spirit, of the men who must struggle. The story of life's accomplishment is the story of improvement forced upon men through struggle. It will be forever true that "Necessity is the Mother of Invention." It is not a cheerful doctrine, but it is a true doctrine, and when accepted and practised, gives deep satisfaction.

Problems in government, transportation, agriculture, finance, commerce, and education, press for attention. They always press, but at the moment, they are insistent in their claim for consideration and action. They are no less in evidence if we disregard them, or evade them. There is no formula whereby certainty of results can be secured. Experience tells us the solution will not be found in criticism or fault finding, nor in smart or clever dodges, nor in scheming and intrigue for place and power. Political sense to a degree few men of affairs understand, organization, trained capacity, attractive human qualities, will be powerful and essential factors, but above all else is needed the constructive plans and creative force of earnest men, devoted and loyal to public service and the honorable and courageous conduct of private ventures.

NATIONAL TRUST ALTERATIONS

Alterations will shortly be commenced on the National Trust Company's King Street, East, Toronto, building. The banking room will be altered so as to afford greater convenience for customers and staff, and one main entrance will be constructed to take the place of the three entrances which now are used, confusion thus being avoided.

International Petroleum Company, Limited

Notice of Dividend No. 6

NOTICE is hereby given that a dividend of 25c. United States Currency, per share has been declared by the Directors of the International Petroleum Company, Limited, and that the same will be payable on or after the 30th day of June, 1924, in respect of the shares specified in any Bearer Share Warrants of the Company upon presentation and delivery of coupons No. 6, attached to the said bearer Share Warrants at the following banks:

The Royal Bank of Canada,
60 Church Street, Toronto, Canada.

The Farmers' Loan and Trust Company,
16-22 William Street, New York, N.Y.

The Farmers' Loan and Trust Company, Limited,
26 Old Broad Street, London, E.C., England.

OR

The Offices of the International Petroleum Company, Limited,
56 Church Street, Toronto, Canada.

The payment to Shareholders of record whose shares are fully paid up at the close of business on the 21st day of June, 1924, and whose shares are represented by registered certificates, will be made by cheque, mailed from the offices of the Company on the 30th day of June, 1924.

The Books of the Company will be closed from the 23rd day of June, 1924, to the 30th day of June, 1924 inclusive, and no Bearer Share Warrants will be "split" during that period.

By Order of the Board
J. R. CLARKE,
Secretary.
56 Church Street, Toronto, Canada.
11th June, 1924.

QUEBEC POWER COMPANY

NOTICE IS HEREBY GIVEN that a dividend of One and Three-quarters Per Cent. (1¾%) has been declared on the Seven Per Cent. (7%) Cumulative Preferred Stock of the Company for the quarter ending June 30th, payable July 15th, to shareholders of record June 30th, 1924.

By order of the Board.
JAMES WILSON,
Secretary.
Montreal, June 13th, 1924.

Southern Canada Power Co.
Limited

DIVIDEND NOTICE No. 18

A DIVIDEND of One and one-half per cent. (1½%) on the PREFERRED STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending June 30th, 1924, payable July 15th, 1924, to shareholders of record June 30th, 1924.

By order of the Board.
L. C. HASKELL,
Secretary-Treasurer.
Montreal, May 30, 1924.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A DIVIDEND of two per cent. (2%) has been declared, payable at the Office of the Company, in Montreal, on July 15, 1924, to shareholders of record at the close of business on June 23, 1924.

JOS. JONES,
Treasurer.
Montreal, June 11, 1924.

Montreal Metropolitan Commission Province of Quebec

SEALED tenders will be received by the Montreal Metropolitan Commission, at its office, City Hall, Montreal, until noon, on the twenty-sixth day of June, 1924, for the sale of the following bonds to be issued by the Commission:

Bonds for $1,462,000, dated the first day of November, 1922, maturing the first day of November, 1949.

Bonds for $1,150,000.00 dated the first day of May, 1924, maturing the first day of May, 1951.

Denomination: $1,000.00 each.

Interest: 5% payable first May and first November.

All tenders must be addressed to the Montreal Metropolitan Commission, City Hall, Montreal, marked "Tender for bonds."

All tenders must be accompanied by a deposit equal to one per cent. (1%) of the amount of the loan, either in cash or by an accepted cheque drawn upon a chartered bank doing business in Montreal.

Alternative bids will be received as follows:

1. For bonds payable both as to principal and interest in gold in Montreal or in United States, Gold Coin in New York, U.S.A. The amount tendered to be payable with accrued interest from the first May, 1924, in Montreal, in Canadian funds against delivery of the bonds.
2. For bonds payable as to principal and interest in Montreal. The amount tendered to be payable with accrued interest from the first of May, 1924, in Canadian funds against delivery of bonds in Montreal.

The Commission reserves the right to reject any or all tenders, or to accept in whole or in part any one of them.

Tenders will be opened at a public meeting of the Commission, to be held at noon, at the City Hall, Montreal, on the twenty-sixth of June, 1924.

This loan is secured on the taxable immovable properties of the municipalities subject to the control of the Commission, and those municipalities are jointly and severally responsible for said loan. The municipalities subject to the control of the Commission are the following:

Cities of Montreal, Westmount, Outremont, Verdun, and Lachine; Towns of Montreal West, Hampstead, LaSalle, Saint-Pierre, Saint-Laurent, Mount Royal, Montreal-East, Pointe-aux-Trembles, Montreal-North, Saint-Michel and Laval-de-Montreal.

Assessable value of the immovable properties situated within the above municipalities, including the City of Montreal, $898,928,453. Population about 860,000.

MONTREAL METROPOLITAN COMMISSION,
E. T. SAMPSON, Secretary-Treasurer.
Montreal, 13th June, 1924.

Ottawa Light Heat & Power Co.
Limited

Common Stock Dividend No. 19b.

NOTICE IS HEREBY GIVEN that a quarterly dividend of 1½% (one and one-half per cent.), being at the rate of 6% per annum, on the Common Stock of this Company has been declared for the period ending June 30th, 1924, and payable that date to Shareholders of record at the close of business on the 20th day of June, 1924.

The transfer books of the Company will not be closed.

By Order of the Board.
D. R. STREET,
Secretary-Treasurer.
Ottawa, June 9th, 1924.

Belgo-Canadian Paper Company Limited

Preferred Shareholders Dividend No. 4

NOTICE IS HEREBY GIVEN that a Dividend of 1¾% for the three months ending June 30th, 1924, being at the rate of 7% per annum on the paid-up Preferred Stock of this Company, has been declared and that same will be paid on the 2nd day of July, 1924, to Shareholders of record at the close of business June 12th, 1924.

By order of the Board.
A. DEHAUFFE,
Secretary-Treasurer.
Montreal, June 11th, 1924.

Laurentide Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of one and one-half per cent. (1½%) has been declared upon the Capital Stock of this Company for the quarter ending June 30th, 1924, payable Wednesday, July 2nd, 1924, to Shareholders of record at the close of business June 17th, 1924.

By order of the Board of Directors.
W. F. ROBINSON,
Secretary.
Montreal, June 10th, 1924.

Provincial Paper Mills Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that Dividends have been declared by PROVINCIAL PAPER MILLS, LIMITED, as follows:

Regular Quarterly Dividend 1¾% on Preferred Stock.

Regular Quarterly Dividend 1½% on Common Stock.

All payable on July 2nd, 1924, to Shareholders of record as at close of business June 15th, 1924.

(Signed) S. F. DUNCAN,
Treasurer.

Abitibi Power & Paper Company Limited

NOTICE IS HEREBY GIVEN that a quarterly dividend of 1¾% has been declared on the Preferred Stock of the Abitibi Power & Paper Company, Limited, payable the 2nd day of July, 1924, to shareholders of record at the close of business the 20th day of June, 1924.

By Order of the Board.
L. R. WILSON,
Secretary.

CANADA CEMENT COMPANY
LIMITED
Ordinary Shareholders

DIVIDEND No. 33

NOTICE IS HEREBY GIVEN that a dividend of 1½% for the three months ending June 30th, 1924, being at the rate of 6% per annum on the paid-up Ordinary Stock of this Company has been declared, and that the same will be paid on the 16th day of July next to Ordinary Shareholders of record at the close of business June 30th, 1924.

H. L. DOBLE,
Secretary.
Montreal, June 16th, 1924.

Ottawa Light Heat & Power Co.
Limited

Preferred Stock Dividend No. 1c.

NOTICE IS HEREBY GIVEN that a quarterly dividend of 1⅝% (one and five-eighths per cent.), being at the rate of 6½% per annum on the Preferred Stock of this Company has been declared for the period ending June 30th, 1924, payable July 1st, 1924, to Shareholders of record at the close of business on the 20th day of June, 1924.

The transfer books of the Company will not be closed.

By Order of the Board.
D. R. STREET,
Secretary-Treasurer.
Ottawa, June 9th, 1924.

The Sherwin-Williams Company of Canada, Ltd.

NOTICE IS HEREBY GIVEN that the 52nd quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum for quarter ending May 31st, 1924, upon the Preferred Stock of this Company has been declared payable to shareholders of record the 15th day of June, 1924, and that cheques will be mailed on the 30th day of June, 1924.

Books not closed.

By order of the Board.
D. A. WHITTAKER,
Acting Secretary-Treasurer.
Montreal, June 10th, 1924.

The Sherwin-Williams Company of Canada, Ltd.

NOTICE IS HEREBY GIVEN that the 15th quarterly dividend of one and one-half per cent. (1½%) for the quarter ending May 31st, 1924, upon the Common Stock of this Company has been declared payable to shareholders of record the 15th day of June, 1924, and that cheques for same will be mailed on the 30th day of June, 1924.

Books not closed.

By order of the Board.
D. A. WHITTAKER,
Acting Secretary-Treasurer.
Montreal, June 10th, 1924.

THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

NOTICE IS HEREBY GIVEN that a Dividend of two and one-half per cent., being at the rate of ten per cent. per annum upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after 1st July, 1924, to Shareholders of record on the books of the Company at the close of business on 14th instant.

By order of the Board.
WALTER GILLESPIE,
Manager.

The Dominion Bank

NOTICE IS HEREBY GIVEN that a Dividend of three per cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th June, 1924, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the 2nd day of July, 1924, to shareholders of record of the 20th June, 1924.

By Order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 23rd May, 1924.

The Toronto General Trusts Corporation

DIVIDEND NO. 112

NOTICE IS HEREBY GIVEN that a dividend of three per cent. (3%) has been declared on the paid-up Capital Stock of this Corporation for the Quarter ending June 30th, 1924, being at the rate of

TWELVE PER CENT. PER ANNUM

and that the same will be payable on and after Wednesday the 2nd day of July, 1924.

The Transfer Books of the Corporation will be closed from Monday the 16th day of June, until Monday the 30th day of June, both days inclusive.

By order of the Board of Directors.
A. D. LANGMUIR,
General Manager.
Toronto, May 27th, 1924.

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MINING NEWS FOR THE INVESTOR

ATTENTION AGAIN TURNS TO SHARES OF MINING EXCHANGE

Some Leading Golds Show Fair Advance—Silvers Don't do so Well

	Gains	Loses	Unch.	Total
Golds..	10	7	5	22
Silvers	6	5	2	13
	—	—	—	—
	16	12	7	35

The mining market has given evidence of considerable activity during the past week. The table above evidences this. There has been a new interest in the mine shares of late and some recoveries have marked a portion of the list. Some stocks are still showing a great deal of strength while in others there has been some profit taking.

Evidently the big producers are being considered worthy of attention after their long neglect. Hollinger, Dome, McIntyre, Lake Shore and Wright-Hargreaves have shown better prices. Dome is selling 75 cents higher than a week ago while Wright-Hargreaves did fifty cents better. Goldale has continued strong on both the Standard Exchange and on the Toronto unlisted. Tough-Oakes has been following a funny course from 61 up to 63 and 64 and then back. There is a fair demand.

Movement in the leading silvers has not been spectacular. Mining Corporation stays back in the position it reached following the disappointment that there was no dividend pronouncement at the annual meeting. Lorrain Trout Lake and Keeley have done a little better. Coniagas was 15 cents better. Keora has been one of the strong issues of the week, the report of acquisition of new properties being responsible. But few stocks were inactive.

Some brokers have been looking for a heavy market in June. They are beginning, however, to waver in their belief now that the holiday season is so close at hand.

MINING AREA OF KOOTENAYS BOOMS

Kimberley Smelter Recently Doubled Capacity — Rossland Has Boom

In addition to the activities of the Consolidated Mining & Smelting Co. in the Kootenays, a large influx of American capital is being used in opening up new claims. The smelter at Kimberley, which is shipping ore concentrates to New Westminster for reshipment to Belgium, has recently doubled its capacity. This created a demand for electric power and work is being rushed on the new Bonnington Falls plant which, when completed, will be the largest in the interior.

Rossland is feeling the benefit of this boom, several hundred more men being employed in that vicinity which has caused new stores to be built and old houses renovated.

At Rossland there are sixty miles of tunnels, many of which have proved successful in tests to denote the presence of minerals. One of the shafts is now down a distance of 2.500 feet and attention is now being directed to taking this shaft through to a point in the vicinity of Trail which will thus eliminate the expense of hauling the ore to the surface.

ARSENIC BOOM SLACKENS

Demand From U.S. Falls and Japan Production Increases

The bottom has dropped out of arsenic. The price has fallen to 10 cents per pound, with little demand, and is attributed to the large production of Japan, with a cut in prices. The demand for arsenic was largely due to the boll weevil pest of the American cotton fields, but the late spring seems to have largely eliminated the pest this year, and the demand is much reduced.

NOT OPTION TUDHOPE GROUP

Farrar group of silver claims in Tudhope township examined by J. Mackintosh Bell, Huronian Belt Co., are said to be held at too high a price to warrant optioning with a view to purchasing.

POWER FOR GOWGANDA

Great Northern Power may build a line into the Gowganda silver camp.

New Zinc Process is Subject of Big Claim

An action for $8,000,000 on grounds of patent infringement, has been taken by French's Complex Ore Reduction Co. against Consolidated Mining and Smelting Co. The action is to be pressed in the event of the company failing to give an account of profits made in extracting zinc by using the patent in dispute. An injunction to stop use of the patent is asked. Andrew W. French, an English metallurgist, discovered the process and negotiations with Consolidated were entered into in 1914. The process of zinc extraction is an electrolytic one. It is being used at the big Kimberley plant and is revolutionizing the production of base metals.

Dilution Cut Night Hawk Values; Mill Now Reported in Good Shape

Low grade ore and a small tonnage, 85 per day, resulted in Night Hawk losing money in the last 5 months. The grade of ore of late has been around $7.15 per ton. Pres. Dodsworth, in a report to shareholders, says they had been assured that the millheads would be considerably higher. The cause in the drop in values has been due to excessive dilution of broken ore but the new management has corrected this and a decided improvement should be shown. The ore bodies are being thoroughly re-sampled and the mine re-surveyed with a view to better selective mining. Mr. Mutch has increased the capacity of the mill at least 40 per cent. without additional cost and further increased capacity should be obtained in the near future. The defects in the mill have been overcome. The light grade sulphide body cut on the 525-ft. level is to be tapped by a cross-cut on the 625. The president says:

> From the east heading of the drift in No. 4 vein on the 425-ft. level, a diamond drill hole was put out to the north, and at a distance of 83 feet, a 22½-ft. section of highly mineralized sulphide ore was cut, having an indicated value of $6.59 per ton. A cross-cut is now being driven to the ore body and definite results should be known within the next few days. This development is in a new territory, and is a gratifying indication of what may be expected therein. During the erection of the mill, underground development was more or less neglected. However, a vigorous compaign of development has been outlined and is now being carried out, and should result in greatly adding to the ore reserves of the mine within the next few months.

No mention is made of the new shaft but it is understood it is progressing fairly well.

Matachewan Operation is Highly Efficient One

Four diamond drills are at work on the properties being developed in Matachewan by English interests. Two are on the Davidson and two on the Canadian. The exploration is said to be the most aggressive ever carried out on any property in the north. One engineer who was on the property recently said the operation marks the height of efficiency. De-watering of the Canadian shaft has just been completed and underground work will be pushed ahead. Lake Matachewan will soon start diamond drilling, Mr. Sheldon, of that company, having just visited the property. A road is being cut into Bloom Matachewan.

Herb Lake Properties Are Attracting Companies

A subsidiary company, capital $3,000,000, has been organized to operate Northern Manitoba and Kiski properties in Herb Lake district, Northern Manitoba.

The Rainbow, Lingo, Speed and Lucky Strike claims are now under option to the Mining Corporation of Canada whose representative is busy sampling on the Lucky Strike.

Andy Parkerson has recently turned up some very fine looking ore on the Liewry mineral claim at Herb Lake. This property is in a direct line of strike with the Feero, Rainbow, Lingo and Lucky Strike claims.

The property known as the Rivord find and which comprises the Ferro and six other claims, is now being inspected by Leonard G. Smith and Beaton, of Haileybury, on behalf of Dr. J. MacIntosh Bell.

NUMBER OF SMALL SHOOTS

A number of small shoots of ore have been opened at Canadian Lorrain, one showing thirty feet of medium grade with an average width around two feet.

HOLLINGER SETS STAGE

John Knox, who is to be A. H. Brigham's assistant in the management of the Hollinger Consolidated Gold Mines, should assume his new post at the first of the month. He was recently superintendent of Calumet and Hecla Mine and has had quite an experience at deep mining. The new Schumacher shaft will be gone ahead with immediately.

VIPOND CONTROL IN ENGLAND

It is stated that sixty per cent. of Vipond Consolidated shares are now held in England. The mine is now earning about ten per cent., while ore reserves are piling up so fast that the question of a mill increase must be tackled very soon.

NEW FIND STANDS UP WELL

Splendid shoots on both the foot and hanging walls of the new find on the 1,025-ft. level of Tough-Oakes-Burnside are reported by manager B. W. McDougall. The whole aspect of the development on this level never looked better. Every machine used on stoping is blocking out ore reserves.

ANOTHER TOUR OF ROUYN

To study conditions in northwestern goldfields of Quebec, T. Denis, C.E., superintendent of mines of the province, will tour the Temiscamingue and Abitibi Tps. in August. He will thus be in a position to ascertain on the spot whether the reports received are too sanguine, and a report will later be presented to the Minister of Colonization, Mines and Fisheries.

CONTROL PORCUPINE GROUP

New Rhodesian Mines, now controlling Porcupine Crown and Thompson-Krist, has retained W. E. Simpson as consulting engineer. The property adjoins Vipond, and one of Vipond veins is known to continue into Thompson-Krist.

Good Results on Harker In Diamond Drill Hole

The shaft on Harker Gold mines is now down 125 feet. Lateral work is expected to cut the vein on this level any day now. A drill operating from surface has picked up the vein at 265 feet. It shows a width of 12 feet. Jack Hammil is expected back from England shortly.

Is There Another Ore Zone in Lake?

Nipissing silver mines are sending a diamond drill into South Lorrain to explore the claims acquired there a year ago. These extend well under Lake Temiskaming. The point has been raised as to whether or not another important break, like the Woods which Keeley developed, extends down the middle of the lake at this point. For this reason Nipissing's activities will be watched with interest. In this connection it is to be noted that Nipissing took up these claims on the recommendation of Cyril Knight, who, as government geologist, had previously made a close geological survey of the camp.

S. LORRAIN A CAMP OF MANY OPERATIONS

Keora Directors Much Taken With Outlook, Add to Their Holdings

South Lorrain as a camp of many important operations is the impression brought back to Toronto by Keora directors who went north to inspect a new group they acquired in the northern section and to close a deal for a third group in the camp, they having previously acquired two blocks. Keora now holds 600 acres of mining lands, 400 in Lorrain and 200 acres of gold claims in Porcupine. Pres. Wm. Gunton, W. Smith, secretary, and George Mulholland made up the party and they were much taken with the surface showings of their new group in the north part of the camp which shows 10 surface veins partially stripped, one for 400 and another for 800 feet. Only a part of the property has been surface prospected. Two claims adjoining Clifton in Oxbow Lake district were acquired. There is a lamphorphyre dyke running across the property while a true fissure vein runs opposite to the strike of the country. The company is preparing for an aggressive exploration of its holdings. Mr. Smith says there are indications of many important mines in the making in the camp. Clifton has 15 men at work and the systematic manner in which work is being carried on impressed him. Lakeside's shaft is down 30 feet. Mr. Smith expresses the opinion that developments will show that the contact is not nearly as deep in this section as was at first thought. He believes that the diabase is rolling and that in this section it comes up quite near the surface. Lorrain Consolidated is meeting with excellent success in the diabase. The high-grade shoot recently cut had been drifted on 47 feet and stood well. He thinks their chance of cutting two other veins on the same horizon are excellent. Keeley, he said, never looked better and Mining Corporation on both properties is making good progress. A great many other small operations, he says, are steadily increasing their efforts. The advent of the railway is going to be very important to the northern part of the camp and to the Gillies' limit along the right of way.

WIDTH UP TO THIRTY FEET

It is reported that the vein on Rouyn Gold Mines is showing a width up to thirty feet with considerable gold showing.

SILVER AND OTHER METALS

	16	17	18	19
Silver—				
New York	67	67	67¼	67⅛
London (P)	34⅞	34⅞	35	35
Copper	12⅝	12⅝	12⅝	12⅝
Zinc	5.80	5.85	5.85	5.80
Lead	7.15	7.00	7.00	7.00

Mining Stock Quotations

Week Ending June 17

	High	Low	Close June 17	Close June 10
Baldwin	3½	3	3½	3⅝
Beatty	6½	5	5¼	5
Beaver	18¼	17	18	17
Bidgood	8	7¾	7¾	7⅞
Can. Lorrain ..	55½	52	55½	52
Capital	34	33	33½	33½
Castle Treth. .	66½	64½	65	65
Clifton Con. ..	16	15¼	15¾	16
Coniagas	1.75	1.55	1.70	1.60
Cons. Smelters	38½	36	38	38½
Cons. W. Dome	22	20	21¾	21½
Crown Res. . .	55	51	54	51
Dome Mines ..	18	17.30	18.05	17.10
Everett	3¾	3⅝	3¾	4
Goldale	27	23	26	22
Hattie	9	7¼	7⅝	7⅞
Hollinger . . .	13	12.85	12.85	12.85
Hunton	9¾	9¼	9½	9¾
Indian	20	17	17	20
Keora	13	11	12½	11½
Keeley	2.35	2.30	2.30	2.31
Kirk. Lake . ..	19¾	19½	19½	19½
Lakeside	20	19	19	19½
La Rose	9	9	9	10
Lake Shore . .	3.72	3.63	3.68	3.67
Lorrain, T. L. .	1.37	1.29	1.36	1.30
Lorrain	30	25¼	26½	29
McIntyre . ..	16.25	15.95	15.95	16.25
McKinley	11½	11	11¼	11
Mining Corp. .	2.85	2.55	2.71	2.89
Moneta	17	16½	16½	17
Newray	30	28	28¼	29
Nipissing . . .	6.30	6.00	6.30	6.10
Night Hawk . .	50	40	50	45
Ophir	3¼	3	3⅛	3¼
Preston, E. D. .	11½	11¼	11½	11¼
Pete. Lake ...	9⅞	9½	9⅝	9⅞
Porc. Crown ..	6	6	6	6
Rouyn	19½	14⅞	19½	14½
Teck Hughes .	1.11	1.07	1.09	1.10
Thomp. Krist .	2¼	1½	2¾	2¾
Tough Oakes ..	64½	61¾	62	62½
Skead	26½	24¾	26	24½
Vickers	11	11	10½	11
Vipond Cons. .	1.04	1.01	1.04	1.02
West Tree. .. .	6½	5¾	6¼	6
Wettlaufer . ..	25	23½	26	24½
Wright-Har.. ..	3.15	3.10	3.10	3.15
NEW YORK PRICES				
Int. Nickel— common...	14½	13½	14⅛	14¼
OIL COMPANIES				
B. A. Oil	33¾	33	33	33¾
Imperial	102⅛	101	102⅛	103
Inter. Pet.	18	17¼	18	17⅛
Mutual	10¼	10	10¼	10

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CONFIDENT ALBERTA WILL PRODUCE OIL

Government Geologist Taking Field Again—Rogers-Imperial Well Stronger

A party of geologists under Dr. M. Y. Williams, Vancouver, is being sent into Southern Alberta this summer in connection with the active hunt for oil. Dr. Williams is confident that oil will eventually be found in commercial quantities in the area north of the Alberta-Montana boundary. He regards the Rogers-Imperial gas well as very important. Chances are, he says, that oil will be found on this side at a considerably lower level than in the Kevin-Sunburst field. His theory is that there are a number of folds radiating from the Sweet Grass Hills uplift, the Rogers well being on one of these, the Kevin-Sunburst wells on another. He considers these structures well located for the accumulation of oil. "The presence of gas in such enormous quantities is certainly the best kind of a sign. Of course, it may be a tedious job to find the oil, but the only means of finding it is to drill for it. The government is wholly syspathetic with these efforts to find oil in Southern Alberta, and we are here to help operators in every possible way. We are as anxious to see a new oil field opened up as anyone."

The Rogers' well is now showing a pressure of 945 pounds, or a flow of 65,000,000 cubic feet per day, an increase of 2,000,000 cubic feet over the original test. There is no means of estimating what the well would make if the gas sands were further drilled. Plans of the company are as yet indefinite. They are still awaiting the results of additional tests as to the quantity of gasoline in the flow and in the meantime intimations are understood to have been made for gas from the cities of Calgary and Lethbridge. The Rogers well represents a bonanza as a commercial gas proposition. Both Calgary and Lethbridge want the gas.

HIGHER PRICES FOR WHEAT WILL HELP BUSINESS

(Continued from page 1)

them into the country, as we are now doing, there must be some advantage in the return of large numbers of full-fledged Canadian citizens who, presumably, have been receiving high wages and will become spenders of at least a proportion of this, upon their return. If temporarily somewhat embarrassing, the country is certain to gain greatly in the long run from the influx.

Doing Own Manufacturing

A development which is adding millions annually to the national income of Canada is the manufacture within the country of an ever-increasing proportion of our natural resources. Formerly such products as nickel and asbestos were sent out of the country for the treating and manufacturing process, while Canadian labor and enterprise were thus deprived of a large source of revenue. This, fortunately, is changing, and current reports indicate that Canadian business will reap a much larger return from this source during the present year. In the case of nickel, for example, Canadian smelters this year treated approximately four times the quantity of ore that was treated within the country last year. This situation is enhanced in the case of nickel by a very large increase in output. In 1922 the Canadian nickel production amounted to 17,355,000 pounds, while the 1923 total is 62,057,000 pounds, or nearly four times as much. Notwithstanding the price decline, the export value of this year's output is $183,000,000 as against one-third that amount last year. The story of asbestos is similar. Last year the volume of sales of this product was greater than ever before, and 85 per cent. of it was milled in Canada. Many other examples could be cited of the increasing manufacture of our raw materials within the country, with a consequent increase in our national income.

PREMIER GETS BIG MISSOURI

Premier Mines, Portland Canal area, is reported to have taken over the Big Missouri from Trites, Wood & Wilson, themselves large and prominent shareholders in the Premier. It is known that these successful B. C. operators obtained excellent results on the Big Missouri last summer, practically assuring its making a very large mine. This being the case it was only to be expected that ultimately it would come under the Premier organization.

REVIVE OLD COBALT PROPERTIES

Old Cobalt properties are becoming of interest again with a report that silver may go higher. Old dumps and tailing piles are being looked over. H. H. Sutherland and interests are optioning Penn-Canadian while Pittsburg people are after the Ophir.

COMPLETE RAILWAY BY OCTOBER

The Swastika - Kirkland Railway branch will be completed by October.

KATRINE SHOWS WELL

Good surface results are being obtained on the Enterprise in Katrine Tp., Kirkland Lake. Values run $4 to $10 in test pits.

KEELEY RECOGNIZES QUEEN'S

Keeley Silver Mines has made a $4,000 grant to Queen's University for the mining laboratory. This is in recognition of assistance given Dr. Bell in the earlier days of the mine. Dr. Bell is a graduate of the university.

GYPSUM HAVING BOOM

SYDNEY.—The gypsum industry at Iona, C.B., is experiencing a mild boom and taking on a large staff for summer operations. The operators of the quarry are storing stock for water shipment to Newfoundland, where they have found a new and extensive market at Humbermouth and Grand Falls pulp and power developments. Monthly shipments are also being made to New York, Australia and New Zealand.

SHAFT DOWN 600 FEET.

Porcupine-Davidson's shaft is now past the 600-ft. mark. It is an incline shaft, and a drill is being employed to locate the exact position of the old workings at 500-ft. vertical.

OPTION OLD PORTLAND MINE

General Mining and Finance, London, England, has taken an option on the old Portland Canal mine on Glacier Creek, Portland Canal, and will have it examined with a view to re-opening and doing further development. The property is equipped with a mill and water-power plant.

Preferred Stocks

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NEWS OF THE BANKS AND BANKING

GERMAN BANKS ARE CRASHING STEADILY

Few of the Mushroom Houses Will Survive Franc Gamble — Big Banks Lose on Collateral

Born of inflation, the German banking boom has succumbed to stabilization. The question of the day is how many of the 5,000 banks created since 1918 will crash. Scores of various important centres have already gone. Two causes are attributed:

Firstly, nearly all the small new banks, founded primarily in order to carry on exchange work, had very small capital; they made profits as long as every German was legally or surreptitiously buying and selling dollars and sterling, and they carried on practically no other business. When the exchange boom failed they had no source of profit left and their small capital was inadequate to pay even rents and salaries for a few months.

Secondly the small banks, in large numbers, gambled in French francs, bearing the franc when it had already fallen to 120-130 to the pound sterling and committing themselves to deliver francs at the end of April or May at a rate of 160 to the pound sterling or even more. The banking failures of April were nearly all due to the latter cause. Having made money by mark depreciation, the mushroom banks speedily lost it by franc appreciation. More failures from this cause are expected.

Many of the big banks are also in danger. Stocks not francs being the danger factor. There has been an enormous drop in quotations and as these constitute a good portion of banks collateral, their solvency is threatened by the drop. An evidence that the banking boom is dead is shown by wholesale dismissals of banking staffs.

Exchange

It is a cause of surprise to many that the "chervonetz," the new Russian currency unit should continue to be quoted on the foreign exchange markets at a position above its par of exchange despite the apparent financial chaos which exists in many sections of the former Russian Empire.

In October, 1921, a new economic policy was adopted by Russia, or rather by the Union of Russian Socialist Soviet Republics, and the State Bank was re-established at Moscow. At first the bank's operations were carried on with a species of paper note based on the rouble. Realizing the necessity of a stable form of money, gold and foreign currency was accumulated and in October, 1922, the State Bank was empowered by the central Soviet authority to undertake the issue of notes. The chervonetz, which is the equivalent of 10 gold roubles or $5.14½ was accordingly introduced as the new currency unit. Provision was made that the currency be backed to the extent of at least 25 per cent. of gold, precious metals and stable foreign currency, while any surplus not so covered is to be backed by short sight bills and advances secured by readily realizable goods, with margin. According to a recent statement of the bank the security amounted to 53 rather than 25 per cent.

The chervonetz is quoted currently at 5.16 in New York, which is obviously a more favorable position than European currency.

NEW YORK FUNDS

			Last Year	
	High	Low	High	Low
June 12	1 13-16	1 3-4	2 13-32	2 3-8
June 13	1 25-32	1 23-32	2 15-32	2 13-32
June 14	1 23-32	1 11-16	2 15-32	2 7-16
June 16	1 11-16	1 21-32	2 7-16	2 13-32
June 17	1 3-4	1 23-32	2 13-32	2 25-64
June 18	1 25-32	1 3-4	2 3-8	2 9-32

STERLING FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
June 12	4.31 1-16	5.22½	4.34½
June 13	4.31⅜	5.25	4.35
June 14	4.31½	5.38	4.34¼
June 16	4.32¼	5.52½	4.33¼
June 17	4.32 1-16	5.36½	4.33
June 18	4.32⅛	5.37½	4.33¼

Staff Gossip

J. N. Kennedy, of the supervisor's department, Bank of Montreal, at Calgary, will retire from business at the end of June. Mr. Kennedy was formerly supervisor for the Merchants Bank in this city. His decision to retire from business has been hastened by the indifferent health he has experienced recently. He joined the Merchants Bank first in 1896, at Windsor, Ontario. Later he was stationed in Winnipeg. He came to Calgary in March, 1919, and was appointed supervisor in July of that year. He and his family have a large circle of friends in this city who will regret his departure.—The Herald, Calgary.

INSURANCE OF BANK DEPOSITS NOT FEASIBLE

No Information on Which to Base Sound Rates

From Our Own Correspondent.

OTTAWA.—The Commons banking and commerce committee has, so far, been acting on progressive, but safe and sane lines. The proposals so far made to it have been of a far more practicable nature than were many of those of last year. Then, a great deal of time was wasted in discussing an impracticable scheme of credit, which got no one anywhere; but so far there have been very few proposals that have not a grain of merit in them. The reason for the change undoubtedly is that the fate of the Home Bank and the developments in the case of the Banque Nationale have brought the members face to face with a situation that calls not so much for the elaboration of new theories as for the framing of practicable measures.

There seems to be but little doubt that the testimony of Mr. Neill of the Royal Bank and G. D. Finlayson, superintendent of insurance, has pretty well disposed of the proposal to guarantee deposits, even that class suggested by Mr. Ladner, namely savings up to $3,000, the premium being paid by the depositors themselves through acceptance of a little less than the usual rate of interest. Mr. Neill opened the eyes of all by telling that 78 per cent. of the depositors in six of the largest banks were of $3,000 and under. This brought home the task that the deposit guarantors were up against.

The committee was of the opinion that Mr. Finlayson through his staff was in a position to tell what would have to be provided for, in the way of an annual premium, to create a guarantee fund to take care of losses. The obvious thing to do was to find the average annual deposits in all banks over a term of years, say 20, and secure figures also for the losses to depositors during that time. This brought out the fact that the average annual deposits over that period were $1,228,880,418, and that the losses, which totalled $11,351,192, had averaged $576,563. The surprising feature was that the losses had been so low, for if the Home Bank's affairs had been taken care of in such a way as to prevent failure, then the losses to depositors over the last 20 years would have averaged only about $80,000 a year, and very probably would have been a world's record.

Not Sound Insurance

Having got from Mr. Finlayson a statement showing the average total annual deposits and the losses to depositors during quite a period, it seemed to some easy to work out an approximate insurance premium that would take care of losses. But it soon became evident that this was not quite as easy as some thought. For one thing, there was nothing in the way of the experience of bank failures that enabled actuaries to deduce given laws governing such losses. This being so it was impossible to fix a rate. What Mr. Finlayson actually said on this point is of such importance as to bear quoting.

"Of course, we must realize this is the vital question, we may assume, if we like, that for the next 20 years the loss of deposits is going to be the same as it was during the last 20 years; but who is going to say when that loss is going to occur? Is the loss going to occur in equal amounts each year; is the total loss going to occur at the end of 5 years, at the end of 10 years, at the end of 15 years, or at the end of 20 years?

"According to the answer to that question the cost must be varied. One-twentieth of one per cent. would apply on the assumption that the losses were going to be sustained in equal amounts in each year. If, however, we assume that the total loss of $11,000,000 is going to be sustained at the end of five years, then the amount would have to be slightly over $2,000,000 a year, or one-sixth of one per cent., instead of one-twentieth of one per cent., assuming equal distribution of losses. If we assume that the losses are going to be sustained at the end of ten years the assessment would have to be $907,000, or one-fourteenth of one per cent. If we assume that the losses are going to be incurred at the end of fifteen years, the assessment would be one-twentieth of one per cent. That is taking into account the interest. If we assume that the losses are going to be incurred at the end of twenty years, the annual assessment in the meantime on the average annual deposits would be one-thirty-third of one per cent. These are just guesses. There is no way of saying which is right.

"It is not an actuarial problem at all, because there is no law to work on. Actuarial work is based on the assumption that there is some law. There is no law governing the failure of banks."

Respecting the law of average, he said: "Here you have over the last twenty years four banks that have failed. Supposing that we assume that there is going to be an equal distribution of losses during the next twenty years, and you start making your assessment of say $567,000 a year, or something of that sort, and you have a big failure involving millions in the first year or two, where is your fund? Your fund would be negligible compared with the total amount of loss."

Asked: "Could you set apart a fund in the various banks and make them more or less responsible?" Mr. Finlayson said: "To be sure you would have to set aside right at once a fund to meet the total amount of losses that you are going to assume will be incurred in the next twenty years. That is the only way in which you would be safe, and even then you might be short of money because there is no saying that the failures during the next twenty years will be fewer."

Not Sound to Try to Fix Farm Prices

NEW YORK.—The McNary-Haugen bill was considered by the executive council of the American Bankers' Association at its spring meeting in Augusta, Georgia. After a long debate, the council declined to endorse the bill. George E. Roberts, vice-president of the National City Bank of New York, in opposing the bill, said in part:

"This measure is fundamentally a price-fixing measure for the regulation of prices. . . . If anything in economic experience and history is settled, it is that price fixing measures do not accomplish the results that are expected of them. My opinion is that this bill will have more undesirable results than it is possible for anybody to foresee."

BANK INSPECTION DEMANDS GOOD MAN

C. E. Neill, Vice-President of C.B.A., Tells Ottawa of Desirable Qualifications

Some important changes have been made in the proposed regulations covering bank inspection. There is now provision for such general inspection as may be deemed necessary as will demonstrate the true condition of a bank. Power is given not only for the examination of bank officers, but all such other persons as it is believed may be able to give information relative to a bank's affairs. Also the $25,000 salary limitation has been dropped and the minister has the power to set such salary as may be necessary to get the man desired.

As has been previously pointed out by THE FINANCIAL POST, since the Dominion Government has decided on government inspection of the chartered banks, the important thing now is to select the right man to carry out this inspection. A competent, experienced banker who can not only check the operations of the various banks but is qualified to value the security for loans, is required and with such a man periodical inspection of large accounts at head office should suffice to meet the situation. But if an official without necessary experience is appointed there is grave danger that the banks may be embarrassed and the financial machinery of the country seriously interfered with. Regarding possible advantages of government inspection, and the necessity for a properly qualified official to head the new department, the following statement by C. E. Neill, general manager of the Royal Bank and vice-president of the Canadian Bankers' Association, before the committee on Banking and Commerce at Ottawa, is interesting:

Q. What can be done to re-establish confidence in the auditing of the Canadian Banks after what has occurred? What can be done to give some assurance to the Canadian public that the statements issued by the banks from time to time are accurate?—A. Possibly government inspection.

Q. That then, in your judgment, would be a possible source of renewed confidence?—A. Yes.

Q. And personally, you are prepared to endorse that point of view?—A. Provided it is efficient nad satisfactory.

Q. What do you mean by that, "Providing the system is efficient?" What have you in mind? I think the committee would be glad to know?—A. Provided the inspection is made by experienced, competent, and reasonable bankers, or banker; a man who is capable of judging properly the condition of the bank.

Q. What kind of inspection would you regard as ineffective or harmful, inefficient inspection? What might happen? What would you regard as inefficient?—A. Putting a man at the head of the inspection bureau who is not competent and who does not know the business.

Q. What might happen in that case? Give an example.—A. If an inefficient or incompetent man went into the office of any bank to inspect it, he might make criticisms entirely unjustified. He might not be able to value the assets of the bank; he might not be able to understand the position of the bank.

Q. Therefore, he might do an injustice to the bank?—A. Absolutely.

Q. And create a feeling of alarm when there was no need of it?—A. Quite right.

Q. Do you think that the shareholders of a bank ought to be fully informed as to the condition of the bank's affairs?—A. Yes.

Q. Or should there be some information withheld from these shareholders?—A. I can conceive that information such as applies to contingent funds or hidden reserves, it might not be advisable to submit these to shareholders.

Q. Why should not the shareholders have information?—A. for a number of reasons. They might demand higher dividends if they thought that a bank had too much in contingent account, and they would have no means of judging how much a bank should have in contingent account.

Q. Why should they not be informed, reasonably, by the directors as to what the condition was as to appropriations and reserves?—A. I do not think there would be any good reason for doing so.

Q. There are certain matters which in your judgment should be kept confidential?—A. Yes.

Q. How many people ought to know all these matters?—A. The directors of the bank.

Q. All the directors?—A. Yes.

Q. You think there is nothing that should be kept from a director?—A. Absolutely nothing.

EXCHANGE FOR FREIGHT

The rate of exchange in connection with shipments of freight between points in Canada and the United States from June 15 to 30, inclusive, will be 1 11-16 per cent., and the surcharge on said traffic will be 1 per cent. During the same period the rate of surcharge on international passenger business will be based on 2 per cent. exchange.

WOULD EXTEND POST OFFICE SAVINGS PLAN

Western Members Talk of Safety Measures for Public

From Our Own Correspondent.

OTTAWA.—There appears to be a determined effort in Parliament to compel the Government to extend considerably the scope of the P. O. savings scheme. This is especially true of the Western members, and they seem to have the idea that within the department itself there is a strong element that thinks that this should be done. W. F. Maclean expressed a desire in the banking and commerce committee the other day that Hon. Chas. Murphy, who has just returned home, should be called, and his remarks conveyed the impression he thought that the P. M. G. had a plan to unfold.

It came out that there are between 12,000 and 13,000 post offices and that over 1,500 take deposits. The department, it appears, opens a branch in any community where there is a real demand for it. The primary purpose of the system is to promote thrift. For this reason there was a dislike to go into anything that savored of banking. This would add a number of duties to persons who were engaged primarily for the work of conducting a post office. It would also mean a lot of bookkeeping and increase of work generally. The P. O. savings have now $25,000,000 on deposit, an increase of $3,000,000 during the year. The rate of interest paid on deposits is 3 per cent. At one time 3½ had been paid. The expense in connection with this work was one-half of one per cent. Against deposits the government must keep a gold reserve of 10 per cent.

The demand for the extension of the work of the branch, insofar as some of the Western members are concerned, evidently springs from the demand on the part of some people to have an absolutely safe place for deposits. It is represented that the Dominion guarantee behind these deposits appeals strongly to some.

Mr. Hughes, of Prince Edward Island, has taken pains to impress on the other members that in proportion as money is loaned to the Government it does not get into circulation, and that the sources of liquid capital are dried up to that extent. With this view there is very general agreement, though the other view also finds acceptance.

One of the proposed amendments to the Bank Act calls for the right to depositors to check out funds from P. O. savings accounts as they may desire. It is probable that a recommendation may be made that a great deal more advertising shall be done to call the public attention to the fact that the P. O. saving system exists, and also directing attention to its advantages.

NOTE CIRCULATION NOT UP TO THE C.B.A.

Is Based on Capital and the Declarations of Officials and Directors

The basis for bank note circulation by the chartered banks in Canada is their paid-up capital.

The fact that it has been revealed that the capital of the Home Bank was impaired for some years prior to the failure has been seized upon to indicate that the bank's circulation during that period was on an unsound basis and that the Canadian Bankers' Association was in some way responsible. This was the drift of the long examination of Henry T. Ross, secretary of the association, before the committee on banking and commerce last week. A great deal of time was spent in trying to get Mr. Ross to admit responsibility on the part of the association when, as a matter of fact, the whole situation was fully covered by him in a few sentences.

The circumstances are that all chartered banks are by their charters members of the Canadian Bankers' Association. Their note circulation is fixed by statute on the basis of paid-up capital. The companies making bank notes and the banks have to make returns to the association covering the issuance of notes. But so far as the capital of the bank is concerned that is covered by the declaration of the directors and officials of the bank itself. If they make a false declaration the Bankers' Association is in no way responsible.

In any event the government inspection now being provided should supply safeguards in the matter of note circulation because it will be a check on the correctness of the returns made by the officials and directors of the various banks which provide the basis for circulation.—J. W. T.

Weekly Bank Clearings

(In comparison with same week last year).

EASTERN CITIES

	June 14, 1923	June 12, 1924
Halifax	$ 3,146,831	$ 2,872,359
St. John	2,673,257	3,521,769
Moncton	1,111,018	771,659
Sherbrooke ..	909,846	779,013
Quebec	6,524,988	5,844,304
Montreal	107,686,184	94,480,321
Ottawa	7,239,394	7,264,083
Kingston	696,132	687,186
Peterborough ..	804,812	823,708
Toronto	97,192,664	94,100,326
Hamilton	5,986,872	5,205,613
Brantford	1,075,817	1,022,151
London	3,304,411	3,472,349
Kitchener	1,108,969	1,286,995
Windsor	4,288,545	3,359,183
Total, East . ..	$243,749,789	$226,491,019

WESTERN CITIES

	June 14, 1923	June 12, 1924
Fort Wiliam ..	637,975	941,413
Winnipeg	42,719,102	48,115,754
Brandon	530,282	475,317
Regina	3,185,763	3,135,739
Saskatoon	1,567,618	1,589,952
Moose Jaw . ..	962,464	1,036,945
Prince Albert ..	340,530	309,788
Lethbridge . ..	627,667	469,036
Edmonton . ..	4,369,216	3,987,065
Calgary	4,194,216	6,371,189
Medicine Hat ..	255,986	312,074
New W'minster	685,570	686,806
Vancouver . ..	14,327,420	15,131,944
Victoria	1,984,252	2,082,761
Total, West ...	$ 76,486,061	$ 84,591,586

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, JUNE 20, 1924

MORE TAXATION ON MANUFACTURERS

MR. STEVENS, M.P., proposes more taxes as a means of punishing or preventing manufacturers from taking advantage of the tariff and holding up the public of Canada, and his proposal is unfortunately growing in favor.

Some time ago a business man in England wrote THE POST expressing the hope that the Canadian Government would remove income taxes on industry. Business taxes and super taxes were the greatest handicap to the development of industry in a young country like Canada, and he said an effort should be made to get them off quickly, if not, politciians would fasten them permanently on the backs of industry; they would never be removed but would become an increasing burden.

Taxation of industry can be eliminated and avoided in Canada if business will treat the public fairly. All it needs is leadership that is big enough to insist upon fair play or punish those who refuse.

WHAT IS A FAIR PRICE?

A QUESTION which has a close bearing upon the general condition of business in Canada is that of determining what is a fair price in the case of those manufactured goods which are protected by a tariff duty. There is a natural tendency on the part of those engaged in the manufacturing industries to raise their prices by the full amount of the duty adding the sales tax as well, especially during a period when the public are not particularly active buyers. While such a policy is perhaps natural, it is certainly not a wise policy. Its adoption by certain groups has already alienated the good-will of the Canadian public, and has led directly to the withdrawal of a certain degree of protection which would normally be considered necessary.

It has been illustrated time and again in the field of business that trifling with the temper and good-will of the public, even for tempoprary advantage, often proves extremely costly in the long run. It would be greatly to the advantage of Canadian manufacturers to see that the interests of the group are not betrayed by individual members, and furthermore, to make every effort to win back the good wishes of the consuming public.

BOND DEALERS AND PUBLIC

JUST as the public had come to assume that the deliberations of the Canadian Manufacturers' Association were for the purpose of maintaining protection and raising prices to the consumer and those of the Canadian Bankers' Association to benefit the banks at the expense of customers and depositors, so there has undoubtedly been a feeling that when the Canadian Bond Dealers' Association meets there is under consideration the profitable marketing of securities rather than the protection of investors and the maintenance of sound conditions in federal, provincial and municipal finances. Yet the main object of all these associations should be to shape the affairs and policies of individual members in the interests of the people so that all may benefit by maintaining public confidence. That the Bond Dealers' Association is working along the right lines was indicated in the summary of aims and objects enunciated by President J. W. Mitchell, in his annual address last week:

(1) To improve the methods of creating and distributing securities and thereby promote the general welfare of bond dealers and bond investors:

(2) To secure united, effective action regarding sound investment legislation; and

(3) To discuss the financial and commercial interests of Canada from the standpoint of investors and bond dealers. Our constitution expressly declares that the association is not formed for the purpose of affecting the price of investment securities in any way, nor shall the association in any way interfere with free and fair competition among its members in the purchase and sale of securities.

In its work of maintaining sound principles of public finance the Bond Dealers' Association might well extend the scope of the annual meeting to an open discussion of those phases of federal, provincial and municipal government which affect taxation and credit, with the idea of educating the people to sound principles in the conduct of public affairs. Public borrowing in Canada is on an enormous scale. In this young, rich, undeveloped country this borrowing has for the most part been justified, but it should not be forgotten that every dollar must be repaid with interest, and only communities which keep capital expenditures within reasonable bounds will have sound healthy growth. Otherwise, taxes will become so burdensome to industries and citizens that growth will become impossible.

Taxation is one of the greatest issues before the Canadian people today. The Canadian Bond Dealers' Association can do a good work in giving leadership in maintaining sound business principles in public affairs.

SOME POINTERS FOR RUSSIA

THE steps necessary to restore Russian credit have been thus set forth by a committee of British bankers engaged in considering the matter:

1. That a recognition of debts, public and private, should be agreed upon, acceptable to both countries.
2. That an equitable arrangement for the restitution of private property to foreigners shall be made.
3. That a proper civil code shall be brought into effective operation, independent courts of law created, and the sanctity of private contracts again firmly established.
4. That the Russian government shall definitely guarantee that in future private property shall in all circumstances be free from danger of confiscation by the state.
5. That bankers, industrialists and traders in this country shall be able to deal freely without interference by the government authorities with similar private institutions in Russia, controlled by men of whom they have personal knowledge, and in whose character, word and resources they have confidence.
6. That the Russian government shall abandon its propaganda against the institutions of other countries, and particularly against all those from whom they propose to request financial assistance.

These requirements can well be studied by the Canadian Government and our bankers and manufacturers. They cover matters heretofore regarded as essential in international dealings and it is difficult to see how Russia can hope to restore her credit on any other basis.

WISE LABOR LEADERSHIP

LABOR, led by Capt. J. A. P. Hayden, M.C., of Ottawa, is setting a commendable example in its efforts to obtain legislation for the improvement of conditions in the printing industry of Canada. At a representative meeting of Ontario and Quebec union printers in London resolutions were adopted requesting the federal government to impose a tariff of 50 per cent. on certain printed matter entering Canada from the United States. Should this measure of protection be accorded a vast amount of printing now produced in the United States for Canadian consumption would then of course of necessity be printed in Canada.

Another important resolution adopted at the London meeting concerns the sales tax on printed matter. In view of the fact that the tax is retarding the printing industry the conference at London requested that it be abolished.

Constructive criticism of the government's immigration policy was included in the labor union program of Canadian industrial welfare, all of which rebounds to the credit of sane and enlightened labor leadership.

This evidence of concern on the part of labor unionist leaders as to the general conditions affecting their particular industry, indicates a broader attitude among unionists than has previously existed. This provokes a question: Have labor leaders been to blame altogether for the intolerable tactics which some unionists have used against employers? Inconsiderate, short-sighted policies on the part of the leaders of employers' associations are probably more to blame. They have too often lost sight of the fact that the union leaders represent the factory end of the business and that the factory workers and their problems are worthy of fair and full consideration. In fact, manufacturers' associations and their leaders have to a great degree lost sight of their original purpose—that of promoting trade, and not opposing labor.

EDITORIAL NOTES

ADDITIONAL government safeguards for the public in regard to insurance, trust and loan companies are demanded by T. L. Church, M.P., who asks if we are going to wait until these companies follow the Home Bank's example. Does Mr. Church not know that in the measure of government inspection now proposed the banks will be following the example of the insurance, trust and loan companies?

Goodderham Family Gets First Actual Public Recognition

Col. A. E. Gooderham, LL.D.—The First Acknowledgment of Many Worth-while Public Services—A Name That Stands For Sanity and Integrity of Character

By J. L. RUTLEDGE.

At a recent convocation the University of Toronto conferred the degree of LL.D. on Colonel Albert E. Gooderham, thus marking their appreciation of the generous and constructive assistance that Colonel Gooderham has always given to the university, since he was appointed to the board of governors by Premier Whitney.

COL. ALBERT E. GOODERHAM

The Gooderham family have been intimately associated with the life of Toronto for three generations. It has been a good association for the Gooderhams, for they have made a fortune. It has been better still for Toronto, for they have carried, through those generations, a name that has always been held in respect. Wherever their name has appeared, whether in business, finance, or sport, it has always been synonymous with sanity, soundness, high character, and fair play.

Back in the early forties the grandfather of Colonel A. E. Gooderham came to Canada, and built a little grist mill in the eastern section of the city. The first building was a small windmill. It was that windmill, long since disappeared, that has given the name to the "Windmill Line" that marks the southern boundary of the city. That was the first business undertaking. And on the same foundation, his son, the late George Gooderham, built the distillery that was the foundation of the family's fortune.

Colonel Gooderham, his son again, was educated at the Toronto Model School, and later at Upper Canada College, where, he admits, he didn't learn much. He didn't hanker for higher education. His ambition was always to get into business. When he was eighteen years of age he did get there, and he didn't get there by any easy road from being his father's son. When he went in as a junior, he was set to learning the business. His father had a simple system.

Learning to Work

"You move outside for a while," his father would say to one of the workmen, "Albert will take your place for a while." And that was the place that Colonel Gooderham took, scrubbing the floors and getting lime in his eyes, and earning the princely wage of seven and a half a week, until he knew that man's work a little better than the man knew it himself. When he had learned that one job, another workman was temporarily removed, and his place taken by Albert Gooderham. So he climbed, as any workman might have climbed, by the laborious way of learning every job as it came along. In the years of his government of this business there was very little trouble with employees. If they grew disgruntled, they could go. A. E. Gooderham knew enough to train a new man for any place.

It was a simple, severe, and rigorous training, that developed a man capable of taking a new job and mastering it. That, perhaps as much as anything else, is the secret of his later success; a training in thoroughness, in the ability to endure, in an integrity of character, that left no room for quibbling. "If your word isn't as good as your bond, you had better be six feet under ground." That was the maxim of the father, ingrained in the consciousness of his sons. "Not a bad thing to teach a young man," admits Colonel Gooderham, these many years after. Not a bad thing, certainly, as shown by the business record of these sons.

The Gooderhams have many business and financial interests. Colonel Gooderham modestly denies any special qualities to merit these responsibilities that have come to him. "They were mostly inherited," he says. "My father held these positions before us, and at his death, my brother and I found them on our own shoulders." Colonel Gooderham is director of the Bank of Toronto, director of the Canada Permanent Mortgage Corporation, president of the Dominion of Canada Guarantee and Accident Company, vice-president of the Confederation Life Association. He is not a sleeping partner in any of these concerns. At most of them he has his own office, in all of them he spends a certain portion of each day. They may have come as a heritage from the father, but they came because the sons measured up to their father's business stature.

The Gooderhams have not, perhaps, come in for their fair share of public appreciation. They have been generally respected; and appreciated, by the comparative few who knew them with some intimacy, but they have hardly held the place in the public esteem that their services would justify. They have been adept at the, not too prevalent, art of keeping their left hand from knowing what the neighboring hand was doing.

As an instance, comparatively few people know of Col. Gooderham's intimate connection with the "Preventorium," an institution for the care of children predisposed to tuberculosis. Years ago John Ross Robertson started a great work for these children with his rest home at the Island. But when the summer was over, these children drifted back into their old, unsanitary surroundings, and much of the benefit was lost, because there was no place to put them in the winter time. The Daughters of the Empire interested themselves in this matter, and through Mrs. Gooderham, who was president at the time, the interest widened out until it took in Colonel Gooderham. The proposition was to raise $30,000 to purchase and equip a home. There was much discussion as to how that sum was to be raised. It looked as though it would take some time to raise that amount, until Colonel Gooderham came along with a concrete suggestion. "Go ahead," he said, "I'll lend you the money."

"At what interest rate?" some careful soul enquired.

"Never mind the interest," he retorted, "get the thing started."

That much was decided, and the search began for a suitable place. Room for ten patients was the initial suggestion. Then sound business judgment came to the fore. "Too much overhead," Colonel Gooderham protested; virtually as much for ten heads as for fifty, and less accomplished. Too much overhead, and too much time in looking around to suit him. He started looking on his own account, and finally discovered and bought the Boultbee Home, on North Yonge Street. "There's your place," he announced with, perhaps, a measure of triumph. "Fix it up."

The fixing it up changed it beyond all recognition, and made the initial sum seem like the proverbial drop in a bucket. When it was completed, the careful soul, noted above, discovered that Colonel Gooderham had given the whole thing to a board of trustees to administer, and that the only condition to the gift was that a sufficient endowment should be provided to operate it in perpetuity, and so that neither his wife, nor anyone else's wife, will have to ask for a cent to assure its maintenance.

But while the "Preventorium" has passed out of his hands, it has not passed out of his interest. His is the guiding hand in its successful operation. He can tell you with enthusiasm that they spent, last year, $5,000 for certified milk, and only $83 for drugs. He'll tell you how the children are governed and trained, and he'll tell it to you in the midst of the hurry of his business engagements, and he'll probably end by telling you that whatever credit there may be, belongs to his wife.

Big in War Emergency

When the war broke out, Colonel Gooderham promptly applied for service, and was as promptly rejected. It was the second war he had been prevented from participating in. He enlisted for the North-West Rebellion, but as he had not had any militia experience at that time, and untrained men weren't in demand, so he wasn't sent. He decided to get that experience. He joined the Royal Grenadiers as a second lieutenant in 1885, and was with them until he commanded the regiment, and even had his term of service as commander extended for a year at the unanimous request of his staff. He had plenty of training this time, but the powers that were at Ottawa, did not look on his application with favor, which, in the light of after events, was perhaps as well.

Shortly after the outbreak of the war the British Government approached the firm of Gooderham and Worts to know on what terms they would turn over the plant for the manufacture of "acetone," used as a solvent in the manufacture of "cordite," and Colonel Gooderham, as vice-president and managing-director, agreed to turn the plant over without charge, and to administer with a salary of a dollar a year. He admits that the salary was not paid, nor even its equivalent, a letter of thanks, but that in no way affected his interest. There is a similarity between the distillation of spirits and of "acetone." The latter is a highly-specialized bacterial process, and Colonel Gooderham is not a bacteriologist, but he was a distiller. He himself likened the two processes to driving a dray and driving a limousine. He admits that he is a capable drayman, and the British Government provided the necessary experts to supervise the processes; but he administered the plant. The British Government hoped that this plant might produce 125 tons a year. By the end of fifteen months it had produced 1,082 tons, and when the war ended the plant was producing at the rate of seven tons a day, and if the war had lasted another year they would have made it eighteen tons. Colonel Gooderham also established, for the British Government, two plants at Terra Haute, Indiana, that produced 2,000,000 pounds in three months, as a direct outcome of the activities and success of the Toronto plant. It is worth noting that the Toronto plant produced 75 per cent. of the "acetone" made in Canada, which in turn produced 75 per cent. of that made in the British Empire.

This association with the British Government led them to request him to secure whatever stocks of tetanus anti-toxine he could. He secured what supplies were available, and they were pitiably small, and still the demand continued. Could he secure other supplies? The board of directors of the University of Toronto, of which he is a member, were meeting that day. He presented the request to them. Could the university laboratories produce the serum? They thought they could. Dr. Fitzgerald was called into conference, and decided that it could be done. It would cost $3,000.

The university appealed to the province for that amount. With every expression of good will, they explained that they had not the money available, and that anyway it was a federal matter. The Federal Government, appealed to, also pleaded lack of funds, combined with certain other cogent reasons. It looked as though that ended that.

Colonel Gooderham is one of those who, having grasped the plow, isn't given to looking back. He took Dr. Fitzgerald aside.

"Go ahead," he said, "I'll send you a cheque in the morning."

He put one stipulation, that he should control the distribution of the product. His idea was to conserve it for the Canadian army.

A month or so later the university president was in Ottawa, and approached the Minister of Militia, for an extra two thousand for this work. The minister promptly agreed. "But I must control the whole output," he concluded. The president explained the agreement with Colonel Gooderham. "I'll give you the five thousand," said the minister.

The president came to Colonel Gooderham, and, in some distress, explained the situation.

"Take the money, and pay me back," Colonel Gooderham advised. "I'm not anxious to give money away. Only when you're asking, ask for eight thousand. You'll get it just as readily."

The upshot of it was that they asked for six thousand and got it. Temporarily, the Colonel was out of this venture; but not for long.

It was only a short time later that the head of the laboratory came to him with a request, for money to provide stabling for the four horses needed in the serum production, beneath one of the university buildings.

"That's no place for a stable," Colonel Gooderham announced. "How do you know your horses will be exercised. If you get an active boy to lead them around, it may be all right. But if you get one who sits on the seat of his trousers all day, they might as well be in a stall. What you need is a farm."

The Connaught Laboratories

The director was quite ready to admit the force of this contention, but he didn't see much chance of a farm. But the idea had interested Colonel Gooderham. He set a real estate man looking around for the sort of farm that he had mentally pictured. The picture materialized in a 50-acre place, about ten miles from Toronto. Colonel Gooderham promptly bought it, and handed it over.

There wasn't any stable, so plans were drawn up for one. Then it became evident that there had to be quarters for the men who cared for the horses, so plans were enlarged to suit. You couldn't very well bring the horses in ten miles every time it was necessary to bleed them, Colonel Gooderham argued to himself, so an operating room was added. And so, by degrees, the plan was enlarged to take in an animal observation ward and an up-to-date laboratory. And so the Connaught Laboratories came into being. "I doubt if I would have done it, if I had known how much it was going to cost," says Colonel Gooderham. But he would have. He is of those whom the gods give of their best gifts, a wide and governed enthusiasm. In all these interests Mrs. Gooderham shares with him. It was through her effort and her money that there was established and equipped a hospital in Hyde Park, London, for the use of wounded officers.

They are hard-headed business men, the Gooderhams. The name stands for shrewd common sense, it is a symbol of stability, of clear thinking, of calculated judgment. They were trained in their father's school, a just and stern and kindly school. They were born to wealth, and were good stewards, even in a material sense. They have not been tied to a name, they have helped to build it. They have been good citizens, giving generously and wisely; doing a harder and better thing, putting themselves in with the gift.

Better Business Ethics to Improve Relations of Nations

The importance of raising and maintaining high standards of business ethics throughout the world was the keynote of the presidential address to the International Rotary Convention, at Toronto this week, by Guy Gundaker, of Philadelphia. The convention was attended by thousands of Rotarians from some twenty-eight different countries. President Gundaker emphasized that sound business standards would result in a better international feeling and would help to dispose of the friction which at times led to war. He said in part::

"Ethical conduct of business, emphasized and spread throughout the world, will greatly diminish the inclination and disposition on the part of the peoples of different nations to fight one another. Unscrupulous business methods have been a potent cause of many international misunderstandings, and war has frequently sprung from unethical business manipulations, and desire for monopolistic control. It is a historical fact that nations are born, and great wars have happened through the use of business as a pawn in the world's game of chess. History shows that governments follow the same path as business: If business is crooked, Governments will be crooked. If business is honest—it has a corresponding reaction upon the character of government.

"With correct business methods employers and employees will establish cordial, friendly, intimate relations with each other; efficiency will become commonplace, and production will meet the needs of the day. With correct business methods competition will lose its sordid strife and rest its results on the higher vantage of the quantity and quality of service. With correct business methods the world will save the great economic waste in cost in money of litigation and collection of accounts, in cost of time in contention over specifications and contracts, in cost of health, and sometimes life itself, in the strain imposed by unethical business practices.

"With correct business methods the relation of the business with the purchasing public—its prospective patrons—will lose its cupidity on the one hand, its distrust on the other.

"And finally, with correct business methods worldwide, the business men of all nations, meeting on this common ground, will establish great international friendships and goodwill—friendships which will harbinger everlasting peace.

"Standardization of right conduct will destroy unfair competition, and written codes of rules of conduct provide the only way for such standardization. When business men compete on a common ground of high business standards sales will be made on the basis of service, and then that paradox of the imagination, co-operative competition, will be a reality."

Certainly, Tait Was Born in Melbourne

Sir Thomas Tait, Montreal financier and railway man, was borne in Melbourne, Quebec. This fact was responsible for an interesting coincidence in his life for he eventually went to Melbourne, Australia, as head of the Victorian Australia State Railways.

In 1903, when Sir Thomas was appointed chairman of the state railway commission in Australia he was dined at the guildhall in Melbourne. When he rose to speak, he said: "This reception is particularly pleasing to me for I was born in Melbourne. (Loud applause). Moreover my father before me was born in Melbourne. (Louder applause and cheers.) We were born in the same house in Melbourne. (Prolonged cheering.)

"But," proceeded Sir Thomas to make the anti-climax complete. "It was another Melbourne: Melbourne, Canada."

When Thomas Tait lived in Melbourne, Canada, he found that the two towns nearest to Melbourne on the St. Francis River were Richmond and, a little further on, Windsor. When he went to Melbourne, Australia, he found that the two nearest towns to Melbourne on the Yarra River were Richmond and Windsor.

Tait returned to Canada in 1910 and now lives in Montreal where he has rather broad business interests and is a director of the C. P. R.

PERSONAL

JOHN McCOY, for many years inspector and valuator of Hamilton Provident and Loan Co., of Hamilton, is dead. He had a reputation of being the most expert valuator in the city of Hamilton.

JOHN J. GIBSON, managing director of Chartered Trusts, is a member of supreme governing board of Rotary International, was the choice of the representatives of more than 65 Rotary clubs, representing the whole Dominion, for a position on the International Board of Directors managing the affairs of Rotary clubs of 26 nations. He started his career first as a school teacher and left that to come to Toronto to join Chartered Trust and gradually rose to position of manager. He has taken an active interest in Toronto Rotary and is prominent in plans for the big convention in Toronto this week.

JAMES A. ECCLES, the new president of the Bond Dealers' Association of Canada, was in Europe when this honor was given to him. He is not expected back for some time. Mr. Eccles is head of the Canadian end of Harris, Forbes and Company, and in this capacity has been interested in the financing of a number of important Canadian industrial and public utility corporations. Much of his time has been spent in straightening out tangles of one sort and another. He was one of the bond dealers who tried to make the city of St. John take a fairer attitude in its dealing with the New Brunswick Power Company. Mr. Eccles started his career with Eliot National Bank, Boston, and has had further training with N. W. Harris & Co., Fore River Shipbuilding Company, Bethlehem Shipbuilding Corp. and has been associated with his present firm since coming to Canada. He was also a member of the Dominion Executive Victory Loan of 1919 and is widely known in financial circles.

LT.-COL. CHARLES W. ROWLEY, who has been chosen chairman of the Western sub-section of the Canadian Bankers' Association, is superintendent of Canadian Bank of Commerce for Manitoba and Saskatchewan and a close student of Western affairs. He is a firm believer in the future of the West and believes that this future will be best achieved by Westerners again putting into practice, that old biblical adage, "six days shalt thou labor." He is a disciple of hard work, practices what he preaches, does his best to encourage others to do the same. One of his recent suggestions in this regard was that the golf season be cut in two, if it had to be played all summer then the players should quit talking about it in the winter. He is a native of the Maritimes having been born in Yarmouth, N.S. He is hon. Lt.-Col. 100th Winnipeg Grenadiers, prov. commissioner Boy Scouts; member Dom. Council, Canadian Cadets; past-pres., Canadian Club; member advisory board, Edinburgh Life; member Royal Colonial Institute of London, Eng.; hon. vice-pres. Canadian Defence League; vice-pres. Manitoba Div. Navy League; member council Winnipeg Board of Trade; member Humane Society and several Manitoba clubs.

Power Securities

From the standpoint of capital investments the power industry is the leading industry of Canada, the capital invested at present reaching a total of over $680,000,000.

Power developments are of such importance and play such a dominating role in Canada's industrial welfare that the industry must be regarded as one of Canada's great, fundamental industries.

The securities of her great power companies are, therefore, among the most stable and satisfactory.

We are at all times prepared to buy, sell or quote prices in connection with such issues. Among the outstanding companies of the Dominion are the following:

Shawinigan Water & Power Co.
St. Maurice Power Co.
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Great Lakes Power Company
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Montreal Light, Heat & Power Co.
Montreal Tramways & Power Co.
Northern Canada Power Co.
Ottawa Light, Heat & Power Co.
Quebec Light, Heat & Power Co.
And many others.

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

KINGSTON ALLEN'S

Banker, Ontario.—I hold eight preference and two common shares of Kingston Allen's Theatre. I have had no recent announcement regarding its position and would be glad if you will forward me a report.

Kingston Allen's Theatre is now controlled by the Famous Players Corp., the head office of which is in Toronto. They stated that the last statement issued was not long ago sent to all shareholders and they expected that you would have received one. However, if you did not get one, they will be glad to send you one if you will drop a line to Famous Players, Toronto. The theatre is coming along very well; business in Kingston has been good and the company is doing excellently.

LOEW'S WINDSOR

Reader, Hamilton.—Will appreciate any information you can give about Loew's Windsor. I bought some three years ago, but they are paying no dividends. Is the stock any good?

Loew's Windsor Theatre has had a long, up-hill battle. At the present time the house is being operated under lease on a basis which gives the company sufficient to meet all their charges with a little over. The theatrical situation at Windsor has been improved and there are indications that though the company is going to have a long pull, there is no reason to believe why it should not ultimately work itself out. Some of the other Loew houses have been able to accomplish this. You will doubtless have to carry the stock for some time.

BELGO CANADIAN PAPER

W. M., Manitoba.—I would like your opinion of Belgo Canadian Paper 6 per cent bonds, Mercury Mills 6½ per cent. bonds, Ottawa Power bonds, and Howard Smith Paper bonds.

Belgo Canadian Paper Company bonds are an excellent industrial security. So also are Mercury Mills 6½ per cent. bonds and Howard Smith Paper Company bonds. The Ottawa Light, Heat & Power Company bond issue is a well secured public utility investment, suitable for almost any class of investor.

STEEL OF CANADA

Miniota.—Do you think common stock in Steel of Canada a good buy?

Steel Company of Canada has been somewhat disappointing in its stock market action during the past year. There is a considerable amount of doubt in the minds of many people as to the exact future trend of the Canadian iron and steel industry. On the whole there is every reason to be optimistic and for a long hold the Steel Company of Canada should be able to work out. But the investment is not yet out of the speculative class.

MOUNT ROYAL HOTEL

Subscriber, Minioto.—What is your opinion of Mount Royal 8 per cent. bonds?

Mount Royal Hotel has no 8 per cent. bonds. It has an issue of 8 per cent. preferred stock which is now selling at considerably below par and which has not received any dividends to date. The Hotel has been meeting with considerable success but of course you will realize that it was built at a time when costs were high and the financing was very expensive. The purchase of the 8 per cent. preferred might provide a satisfactory speculative investment at the present time but nothing more.

MUNICIPAL BANKERS' BONDS

Enquirer, Ottawa.—The Municipal Bankers Sales Corporation have approached me in regard to selling bonds for them. They have a bond known as the Municipal Bankers Bond. Is this bond a safe investment?

The Municipal Bankers Sales Corporation issues bonds known as Municipal Bankers Bonds. These bonds are secured under a trust deed in favor of a large trust company, by bonds and mortgages on Toronto houses. Before placing a mortgage on a house, the property must be valued by competent, independent appraisers. The bonds are well regarded in financial circles. Those in charge of the company's affairs are well-known business men, with wide experience in financial affairs.

MUTUAL FINANCE CORP.

Reader, Woodstock.—What is your opinion of the prospects of Mutual Finance Corp. of Windsor?

Mutual Finance Corporation, of Windsor, showed gross earnings of $103,822 for 1923, as compared with $88,453 in 1922. The profit realized is $74,350, as compared with $60,894. About $12,000 was previously written off for taxes, additional dividends, equipment, depreciation, etc. Dividend displacement totalled $62,163, while surplus and deferred profits stand at $186,904, as compared with $153,966 the year previous. Assets rose from $291,236 to $2,352,304. A. F. Healy, M.P., is the president of the company. The corporation holds deeds of 490 houses, or 9.08 per cent. of the houses in the city of Windsor occupied by owners. The appraised value of the property for 1923 was $3,683,800.

RUSSIAN ROUBLES

Enquirer, Toronto.—The Bank of Montreal, Foreign Exchange, tells me that the Russian rouble has no value at all, and is not even listed, but dealers in Toronto tell me that quite recently the old 1912 issue of paper roubles has taken a jump and is to-day worth $360 per 100,000 or $36 per 10,000 and the value is still soaring, this referring to the 1912 issue only, as per Associated Press, New York, June 10, 1924. I would thank you if you can confirm this.

There has been some recovery in the value of Russian paper roubles on the New York market due to the fact that certain Japanese obligations to Russia were maturing and were payable only in paper roubles which were in demand for the purpose of payment. To-day's quotations in New York are $800 to $950 per million paper roubles.

ROYAL OAK TIRE

Welland.—I have five units of Royal Oak Tire for which I paid $200 a unit one year ago, and I would be indebted to you if you could tell me the best way out, or is it better to leave it where it is?

The annual report of Royal Oak Tire has just been issued. It does not reveal the full details of the past year's operations but it is understood that the first half of the fiscal year was satisfactory while the last half, covering the winter months, was marked by a loss. The company is doing better and overcoming the handicap of a heavy deficit the result of earlier experiences when the management was not as good as it is now. The market for the stock is quite limited and you would have to sacrifice your holdings to sell. When the company betters its position you might then sell to better advantage.

NATIONAL STEEL CO.

Toronto Investor.—Can you give me any idea of the present position of National Street Car Corporation, and tell me what is the general opinion concerning Mr. Magor, the president?

The National Steel Car Corporation is in better shape now than for some years past. It has had a good volume of business from the railways, and while it must be getting pretty thin on orders at the present time, there are prospects of fairly steady buying by the railways for some time to come.

R. J. Magor, the president, is highly regarded, and is considered an able man. He knows the car business thoroughly, having been interested in it in New Jersey before coming to Canada. The feeling is that he will accomplish as much as anybody in putting the company on its feet.

National Steel Car Corporation went into the manufacture of motor trucks, but this has been a rather heavy load to carry, because the company has had to maintain service stations throughout the company. It is understood that some attempt was made to get the White Company, manufacturers of the White trucks, to take over these stations and make arrangements for the National Steel Car Company to manufacture their truck in Canada, but nothing came of these negotiations so far as we know.

FOR INVESTING $25,000

Victoria.—Please make suggestions for investment about $25,000 in Canadian assortment bonds or some preferred stocks, and give prices and average interest return.

This inquiry, received by wire, was submitted to leading investment houses for suggestions. A number of these were printed last week. The following are submitted by the National City Company, Toronto.

$5,000 Dominion of Canada Guaranteeing Canadian National Railway 5 per cent. bonds. Due: 1954 at 99 yielding 5.06 per cent.

$5,000 City of Toronto, 5 per cent. bonds. Due: 1938 at 98 yielding 5.20 per cent.

$5,000 Maple Leaf Milling 6½ per cent. bonds. Due: 1943 at 101½ yielding over 6.35 per cent.

$5,000 Kingdom of The Netherlands (Holland) 6 per cent. bonds. Due: 1954, principal and interest payable in United States gold dollars in New York at 98½ New York funds or 100 Canada yielding 6 per cent.

$5,000 French Cities (Bordeaux, Lyons and Marseilles) 6s. Due: 1934, principal and interest payable in United States gold coin in New York at 85 New York funds yielding 8.25 per cent.

This would figure out at an average yield on the investment of about 6.18 per cent.

At the present time there are some of the highest grade foreign government bonds, such as Kingdom of the Netherlands and Kingdom of Norway, available in New York at very attractive prices ,and we consider it good policy for Canadian investors to diversify their list by adding some of these securities to their holdings.

CURRENT OPINION

AN OPPORTUNITY HE MISSED

(Brockville Recorder-Times)

Howard Smith, president of the Canadian Manufacturers' Association, has delivered his annual statement. It was a gloomy statement. Mr. Smith pictured himself as the only man who had the courage to stand out and state definitely that Canada was going to the dogs. Like Elijah of old, "I, even I, only am left."

Mr. Smith insisted that things were bad in a business way in Canada, and that there were no bright spots. He discounted all statements and editorials written to the contrary. All who were inclined to take a hopeful view were simply whistling to keep up their courage, or they had some ulterior motive for refusing to join in the Smithsonian lamentations.

Mr. Smith used all this as a preface to lead up to a position that was evident from the start. There could be only one cure, and that more protection. His argument was weakened by the excess to which he went to get a proper setting for his final scene.

The country was prepared to look for something more keenly analytical from the head of the Canadian Manufacturers' Association. He had an opportunity to divorce business from politics for the time being, and interpret all the cross-currents as they ran against Canadian trade. Instead he delivered a Conservative campaign speech. He missed a great opportunity to show leadership and give vision to Canadians who have not had the opportunity that has been his of looking over the business field in a big way.

HOWARD SMITH'S PESSIMISM

(Lethbridge Herald)

As an antidote to the dismal utterances of Mr. Howard Smith come the optimistic utterances of President Beatty, of the Canadian Pacific Railway. He does not look with dismay on business and other conditions in Canada. He expressed himself thus while in the United States, and now on his return from his Western tour has his faith more fortified in what he saw. Speaking of the West, he said, "There never was a time when there was less reason to be discouraged as to the future of Western Canada."

It is not apprehension but confidence that we need to have preached to-day. Better far the optimism of a Beatty than the pessimism of a Howard Smith, who views conditions generally only from one angle, that of the manufacturer who sees himself deprived of an easy road to wealth by what the removing of protection for his special line of wares means. Far better would it be for the manufacturers to buckle to and trust more to their initiative and enterprise in making their industry go without relying solely and wholly on the artificial aid which a tariff would give them for moving along a line of least resistance. If difficulties are apprehended in the way of the road to success not being so smooth as it was wont to be through reductions in tariff, the better way is to endeavor to overcome them than to wring one's hands in despair. It would perhaps have been better for the manufacturing industry to have had to rely on its resources sooner than later in what tariff reductions have imposed on the manufacturers as seen by Mr. Howard C. Smith. They would then have been thrown more on themselves and would not have got into the rut of thinking that a tariff and nothing but a tariff, high enough to create a monopoly for one particular line of industry at the expense of others, is the sole salvation for the manufacturing industry of the Dominion.

THE DEATH OF PROTECTION

(Saskatoon Star)

For the second time during the present session a Conservative budget amendment, stating that Canada "requires a consistently-maintained protective policy" was yesterday afternoon defeated by a vote of 135 to 36 in the House of Commons.

The changes that will result from the present budget, says THE FINANCIAL POST, are the most important perhaps in 45 years, and yet there has been no budget in recent years that has caused so little uncertainty or so little upsetting of general business, even after a discussion extending over five weeks.

High protection is dead in Canada. Its folly has been shown repeatedly, and it has now been abandoned by the Conservatives who have clung to it for the past 45 years. One of the most significant things that happened during the present session was the announcement by great Canadian manufacturers, at the moment when Conservatives in the House were declaring that the budget would ruin Canadian industry, that their business would not be injured by the change in any way, and that the consumer would get their products at lower prices. That single incident was the most perfect indictment and condemnation of the protectionist fallacy that ever occurred in Canada.

The present session of Parliament has marked considerable progress in the economic history of the country. The Conservatives have at last felt the overwhelming force of public opinion on the subject of protection; the government has decided to establish an advisory board on tariffs and taxation, and materials used in natural industries have been exempted from duty and tax. The situation is simply this, that the burden of taxation on business of all kinds is so great that it is possible to give a measurable advantage to a favored industry by sales tax and duty exemptions. Such a procedure is economically sound; it at least does not give the individuals so favored an opportunity to extract toll from the consumer under the cloak of the "national policy."

The constant smoker finds in Melachrino Cigarettes a delicacy of flavor of which he never tires.

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MO—4.

Dares Young Canada to Get Out And Develop Country's Resources

The following inspired letter has just been received by Col. J. B. MacLean, head of MacLean Publishing Co.:

"Your recent mining number again shows what a great constructive force THE FINANCIAL POST has become. Your staff has unfolded to all who may read the magnificient possibilities of our northern country and, in fact, embraced the whole thrilling prospect that extends from coast to coast. The great pity is that a copy of this edition can not be put into the hands of every citizen, because it carries the conviction needed to sell this country and particularly this province, to our own people.

"And what an inspiring picture this edition presents of the thousands of men who are staking their time, energy and wealth in a truly pioneer spirit to develop our hidden riches. For I believe there is a greater sincerity and a higher motive in the work in the North than any other 'gold rush' has known. This is no game of sudden overnight enrichment—it is, in its vastness, one of the mightiest industrial efforts in the history of the province. Men must work for months if not for years before any one of our northern mines gives up its tight-locked treasure. The old and young Canadians who tackle our North know that gold mines must be 'made' not just 'found.' And best of all, this wisdom reflects itself in the advertisements of the newly-organized companies. There are few flamboyant promises, no matter what enthusiasm. Surface showings are abundant in the North, but the diamond drill and actual development work alone can reveal the values—and this is the story the mining men are telling. One need not even credit them with an idealism in this—it is the plain common sense of the matter. He who puts his money in the North should realize his partnership in the quest—let him look well about him, exercise every care—let him plan and play with shrewdness, but be sure to urge him to play. Canadians, and particularly Ontario people, should have the big share in these riches. Mature business men should get onto the ground at their first opportunity. Young men should put at least a small proportion of their earnings into the most conservative of these, ventures, preferably four or five, rather than one prospect.

"They should risk according to the hazards, facing the possibility of loss, but realizing that the North offers the opportunity of a lifetime. Small investing syndicates, distributing the risk into low units, should be organized in every town. Let the North pour its wealth into old Ontario as Africa enriched England.

"Fortunately we have in the North as high an order of business integrity as will be found anywhere. There is a well-organized literature and research under the guidance of some of the foremost geologists made available in the form of government blue books. The 'wild catter' will persist, no doubt, but it will be more difficult for him to operate in this field if the prospective investor exercises any reasonable care. And most people can quickly be rendered immune to the grafter, if they know enough to ask questions in the right quarter. In a word, everyone should be wary of the man who promises much, especially sudden riches.

"These impressions are not hastily formed by the writer, but renewel again after many years by the sane and brilliant presentation the staff of your FINANCIAL POST has given."

The writer of this call to Young Canada to get out, develop a daring, boost for and drive ahead the building up and development of his own country is Wallace J. Laut, of McConnell and Fergusson Advertising Agency, London, Ont. He presents a thoughtful and vivid word picture of mining in Northern Ontario and reveals a thoughtfulness in regard the development of the country's great mining resources that is good to see. The hope is that more thinkers like Mr. Laut will look into the matter. If the people of Old Ontario get to thinking in the right way, then the ideal which Mr. Laut sets up, "to sell this country to our own people" and that the North pour its wealth into Old Ontario as Africa enriched England, will be on its road to achievement.

RSC
INVESTMENT-SERVICE

Let money be your servant, sir, not your master; employ it, don't be a slave to it.
Samuel Johnson

If money be your servant, here's safe and profitable work for it to do

In the central residential quarter of Montreal there has recently been completed the largest apartment building in Canada. Its attractiveness is such that it is already 100% rented.

We have purchased an issue of 7% Mortgage Bonds on this property.

Now 7% is an exceptional rate of interest for this quality of security, consequently we feel satisfied that money invested in these Bonds will work for investors both safely and profitably.

The Bonds return a better than average rate of interest, and are free from worry as to safety of principal. It would be difficult, we believe, to find a more desirable all-round real estate mortgage security. May we send you full particulars? If so, write for circular "D.A."

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Attractive Provincial and Municipal Bonds

Security	Rate	Maturity	Yield
Province of Ontario	5%	1948	5.07%
Twp. of Scarborough	5½%	1924-42	5.15%
City of Galt	5½ & 6%	1927-42	5.20%
Town of Oakville	5½%	1927-33	5.35%
Edmonton School Dist.	5½%	1963	5.65%

We offer the above, subject to prior sale and change in price

Gairdner, Clarke & Co.

312 Bay Street, Toronto
212 Dominion Express Bldg. Montreal

Harold A. Tubby & Company Limited
Investment Bankers
Government, Municipal & Corporation Bonds
Correspondence solicited
PARIS BLDG. WINNIPEG

We Offer
HOWARD SMITH PAPER MILLS LIMITED
7% First Refunding Mortgage Sinking Fund Gold Bonds
Due: 1941 Price to Yield: 7.20%
R. A. DALY & CO.
Members Toronto Stock Exchange
BANK OF TORONTO BLDG. TORONTO
50 CONGRESS STREET BOSTON

OSLER, HAMMOND & NANTON
WINNIPEG
ocks and Bonds
Insurance
Mortgage Loans
Farm Lands

Canadian Pacific Railway Company
5% Collateral Trust Gold Bonds
Dated April 15, 1924 Due April 15, 1934
Principal and semi-annual interest (April 15 and October 15) payable at the bank of Montreal in Montreal or Toronto
Price 98.85 and Interest, to yield about 5.15%
OSLER & HAMMOND
Members: Toronto Stock Exchange; Montreal Stock Exchange.
21 Jordan Street Toronto, Canada

We offer
Canadian Paperboard Company Limited
First Mortgage 7% Sinking Fund Gold Bonds
Dated April 1st, 1922. Due April 1st, 1937.

BONDS OUTSTANDING	$770,000.00
TOTAL ASSETS SECURING BONDS (not including goodwill, contracts, etc.)	$2,853,940.14
Equal to over $3,700 per $1,000 bond.	
EARNINGS available for bond interest for past six years have averaged	$145,352.00
EARNINGS for calendar year 1923	$191,000.00
BOND INTEREST REQUIREMENTS PER YEAR	$53,900.00

Descriptive circular on request.
JOHNSTON AND WARD
14 King St. East, Toronto
Members: Montreal Stock Exchange, Toronto Stock Exchange

LAKE OF THE WOODS MILLING CO., LTD.
Makers of FIVE ROSES FLOUR
Mills at Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 13,700 BARRELS
President: FRANK S. MEIGHEN
Vice-President: WM. W. HUTCHISON
DIRECTORS:
Geo. V. Hastings, Abner Kingman, R. M. Ballantyne, J. K. L. Ross, Tancrede Bienvenu, R. W. Reford, W. R. Allan, Sir Lomer Gouin, K.C.M.G.

CATHOLIC SCHOOL BONDS

MONTREAL.—L. G. Beaubien and Company are offering $80,000 of bonds of the Catholic school commission of St. Jerome. The bonds are 5½'s, due 1954. The proceeds of the issue will be ultilized to purchase land for two schools.

The same investment banking firm is also offering $100,000 of the 5½ per cent. first mortgage bonds of la Fabrique St. Francois Solano de Montreal. The bonds are repayable serially from 1930 to 1944. The parish of St. Francois Solano is in that part of Montreal where the Angus shops of the C.P.R. are located. The money is required for the completion of a church for the parish.

NEWS AND VIEWS ABOUT BONDS

LARGER VOLUME OF BOND ISSUES FOR FALL IS IN SIGHT

United States Investors Bidding on Canadian Issues

The pressure of the heavy demand in New York for good bonds on the Canadian market is indicated by the bidding this week on an issue of $665,000 city of Victoria bonds. Alternative tenders were called for bonds payable in Canada or Canada and New York. Five bids were made on the latter basis and only two on the former, the bonds being awarded for New York payment. The extreme buoyancy of the New York market has not yet extended to Canada in any marked degree, although a better demand is in evidence here and prices of Dominion issues are fractionally higher.

The fears of some dealers that an active demand in the latter half of the year would meet with a restricted supply of new issues have been partly allayed by the further information of prospective financing. It is rumored that the Canadian National Railways will enter the market shortly for $25,000,000, but the prevailing opinion is that action on this will not come until early in the fall. It is also expected that Ontario will require additional funds before long. The expected decision of the Privy Council on the Toronto Street Railway award also opens the prospect of a city of Toronto issue for approximately $10,000,000. With the present demand in New York it is expected that at least a portion of this financing will be done in New York.

There is a general feeling that the next few months will witness a substantial improvement in the market for foreign bonds, largely on the prospect of increasing stability in European affairs.

An issue of $1,200,000 province of Manitoba 20-year, 5 per cent. bonds, purchased some time ago by Dominion Securities Corporation and Wood, Gundy & Company, was disposed of during the week.

Award Victoria Bonds

An issue of $665,000 city of Victoria, 20-year, 5 per cent. bonds, was awarded to a syndicate composed of Dominion Securities Corporation, Wood, Gundy & Company and A. E. Ames & Company, at 93.19, payment and delivery to be made in New York. The money is costing the city 5.57 per cent. The bids were:

	Can.	U.S.
Dominion Securities Corp.; Wood, Gundy & Co.; A. E. Ames & Co.	92.61	93.19
Rutter & Co.		92.07
Miller & Co.		91.67
McLeod, Young, Weir & Co.	90.50	91.50

Dorval Sells Issue

The town of Dorval, Que., sold an issue of $50,000 six per cent., 10-year bonds, to Rene T. Leclerc, at 101.13, a cost of 5.85 per cent. The tenders received were:

Rene T. Leclerc	101.13
Wood, Gundy & Co.	101.11
Credit Anglo Francais	101.03
A. P. B. Williams; Mead & Co.	100.77
A. E. Ames & Co.	100.38
L. G. Beaubien & Co.	100.05
Municipal Debentures Corp.	99.79
Dominion Securities Corp.	99.635
Versailles, Vidricaire & Boulais	99.26
Lepret Municipal	98.52

Buy Dufferin Bonds

An issue of $48,000 county of Dufferin bonds was awarded to Dominion Securities Corporation at 101.719. The bonds bear interest at 5½ per cent. and mature in 15 instalments. The bids were:

Dominion Securities Corp.	101.719
Cochran, Hay & Co.	101.62
Bain, Snowball & Co.	101.42
Goss, Forgie & Co.	101.41
Macneill, Graham & Co.	101.28
Wood, Gundy & Co.	101.03
McCoo, Padmore & Co.	101.15
McLeod, Young, Weir & Co.	100.95

County Sells Issue

Peterborough county awarded an issue of $20,000, 20-year, 5½ per cent. bonds, to Matthews & Co., at 101.92, the money being used for bridge purposes and costing 5.271 per cent. The tenders were:

Matthews & Co.	101.92
Macneill, Graham & Co.	101.78
McCoo, Padmore & Co.	101.65
Goss, Forgie & Co.	101.642
Municipal Bankers Corp.	101.617
R. A. Daly & Co.	101.58
McLeod, Young, Weir & Co.	101.47
Dyment, Anderson & Co.	101.47
Bain, Snowball & Co.	101.467
Gairdner, Clarke & Co.	101.407
Doherty, Easson & Co.	101.37
Wood, Gundy & Co.	101.28

Barton Tp. Bonds

Wood, Gundy & Company were awarded an issue of $15,000 Barton Township, 20-year, 5½ per cent. bonds, at 103.17. The following bids were received:

Wood, Gundy & Co.	103.17
A. E. Ames & Co.	103.09
Gairdner, Clarke & Co.	102.972
Zimmerman & Malloch	102.70
Matthews & Co.	102.53
Dyment, Anderson & Co.	102.518
Macneill, Graham & Co.	102.41
Bain, Snowball & Co.	102.47
McLeod, Young, Weir & Co.	102.28
C. H. Burgess & Co.	102.28
Nesbitt, Thomson & Co.	102.17
Murray & Co.	102.04
Browning, Harris & Denman	101.826
Browning, Harris & Northey	101.826
W. C. Brent & Co.	101.36
Mackay, Mackay	101
A. J. Pattison Jr.	98.50

PUBLIC DEBTS AND RESOURCES

The Dominion Securities Corporation has prepared for distribution among investors in Canadian bonds a booklet giving comprehensive information respecting the Dominion of Canada, its provinces and their funded obligations. Figures of agricultural, mining and other production are included together with a statement showing the debts, revenues and expenditures as of June 1st, 1924.

Will Offer $500,000 of Laurentian Hydro Bonds

It is understood that a syndicate composed of Browne, Urquhart & Co., and Ernest Savard, Limited, will shortly offer an issue of $500,000 of first and refunding mortgages, 6½ per cent., ten-year sinking fund bonds of the Laurentian Hydro Electric, Limited.

The Laurentian Hydro Electric, Limited, which has just completed a water power development on the North River, near St. Adele, will commence about July 1 to supply power to the Laurentian district, which is rapidly becoming an important industrial centre.

It is stated that the company has many favorable contracts with municipalities and industrial corporations, so that it will have an assured and steady market.

The company will commence operations with the installation of 1,865 h.p., and is preparing to acquire two neighboring power sites which will give an estimated total of 14,000 h.p.

DOMINION LOAN NOT EXPECTED UNTIL FALL

Rumor That $300,000,000 Loan Will be Authorized at This Session

The rumor that the Dominion Government is preparing to float a $300,000,000 bond issue, comes as a surprise to financial circles. During the past two years the Government has held off in its refunding operations until the fall, when the maturing loans were due. This has been considered sound policy, because sentiment is usually better at that period when the crop is being harvested, and the lull of the midsummer months is past. Spring is not considered a good time to do heavy financing, and financial authorities point out that even the strong demand in New York for bonds would scarcely justify it at this time.

The loan maturing Nov. 1. totals $107,955,000, and it is stated that the Government will ask Parliament to authorize an additional amount, possibly up to $300,000,000. The prevailing opinion, however, is that only a part of the amount authorized will be borrowed for some time. It is expected that United States investors will compete for the loan, but no intimation has been given as to which market may be chosen for bulk of the issue.

Reorganization is Not Binding on O'Brien Co.

The plan of reorganization of the British America Nickel Corporation has been declared by the courts as not binding on M. J. O'Brien Ltd. This company was the holder of $625.000 first mortgage bonds of the British American Nickel Corporation, Limited, part of an issue of $6.000,000. In December, 1920, the nickel corporation decided on a plan for the reorganization of its finances. This plan involved the retiring of outstanding bond mortgages and other obligations and the creation of three issues of securities, viz., First Income Bonds, $6.000.000: "A" Income Bonds, $6.000.000; "B" Income Bonds $12.500.000. The holders of bonds of the original $6.000.000 issue received "A" Income Bonds par for par in exchange for their securities.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	..	95½
Alabama 5% 1962	76	77
Algoma Steel 5% 1962	..	34
Belding 5% 1936	86	..
Belgo Can. Paper 6% 1943	95	95½
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98	100
Can. National Rly. 5% 1954	98½	98¾
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942	95½	96½
Can. Light & Power 5% 1949	81	..
Consumers Glass 6% 1935	85½	88
Can. Steel Foundries 6% 1936	98½	..
Dom. Iron 5% 1939	..	69¾
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	..	101¾
East Koot. Power 7% 1942	98½	100
Fraser Co. 8% 1941	..	105½
Frontenac Brewery 6% 1951	..	88
G.T.P. 4% 1955	72½	..
G.T.P. Sun. 4% 1955	73	..
Holt, Renfrew 5% 1937	..	96
H. Smith Paper 7% 1941	..	94½
Lake Sup. Paper 6% 1941	105	..
Laurentide Pow. 5% 1946	97½	99½
Laurentian Pow. 6% 1936	96	..
Maple Leaf Milling 6½% 1943	100	..
Maisonneuve 5% 1954	96½	..
Man. Power 7% 1941	98	98½
Mattagami 7% 1949	24	..
Montreal Pub. Ser. 5% 1942	88	88½
Montreal Steel Works 6% 1940	99	..
Province of Ontario 5% 1948	98½	99¾
Nor. Ont. Power 6% 1931	94	95½
N.S. Steel 6% Deb.	..	68
Ottawa Gas 6% 1939	100	..
Ottawa Gas 5% 1934	..	99
Ontario Pulp. 6% 1931	105	..
Price Bros. 6% 1943	..	98½
Paton Mfg. Co. 6% 1953	..	94½
Provincial Paper 6% 1940	..	100
Porto Rico Rly. 5% 1962	61½	64
Shaw. Cotton 6% 1949	..	78
Shawinigan 5% 1934	101	..
Shawinigan 5½% 1950	102	..
Shawinigan 6% 1950	103½	..
South Canada Power 6% 1948	101	101½
Spanish River 8% 1941	105¾	106
St. Maurice Power 6½% 1953	105½	106½
Toronto Power 5% 1924	99	..
Wabasso Cotton 7% 1942	..	96
Windsor Hotel 6½% 1943	100	..
West. Koot. Power 6% 1943	99¾	..
West. Power 5% 1949	87	..
West. Power 7% 1926 debs.	98	..
Winn. Electric 6% 1943	..	91¾
Chicoutimi Pulp 6% 1943	..	69

DEALERS ANXIOUS FOR UNIFORM BLUE SKY LEGISLATION

Montreal Man Elected President of Association for 1924-25

The annual meeting of the Bond Dealers' Association of Canada in Toronto last week was marked by a number of reports covering different subjects of interest in connection with bond operations. The report of the committee on municipal administration and finance, presented by Mackenzie Williams, the chairman, included an analysis of the present position of public finance in Canada and covered arrears of taxes, government municipal departments, the standard information form, defaulting municipalities and sinking funds. The question of government legislation during the past year was dealt with by the vice-presidents of the Eastern, Central and Western sections and some interesting comments on public utility and industrial financing were made by R. D. Bell, chairman of the committee on that subject. It is felt by some members that, in view of the prospect of large developments in public utility and industrial financing in Canada, this phase of the association's activities might be extended.

Largs Sums Lost

In presenting the report of the vigilance committee, the chairman, F. J. Coombs, commented on the large sums lost in fraudulent securities as follows:

"It is estimated that the yearly loss to the public in the United States, through the operation of sellers of hazardous and fraudulent securities amounts to the stupendous sum of $700,000,000. In Canada, no such figures, so far as I know, have been compiled but, if you divide the amount by twenty, you get a sum of $35,000,000 which might be regarded as an approximate amount that is lost by the people of Canada through the purchase of undesirable securities. When it is considered that this means a distinct loss of approximately that amount, not only in large part in depleted bank deposits and to the business of sellers of legitimate securities, but a loss also in the purchasing power of the retail buyer, it is a situation which is worthy of the careful consideration, not only of this association, but also of wholesale and retail mercantile organizations throughout the country.

"Your committee have given considerable attention to this situation during the past two years and feel that there is room for a lot of work to be done in co-operation with the several provincial governments and with business associations such as boards of trade, chambers of commerce, etc., in endeavoring to deal with this matter.

"That the provincial governments are alive to the situation is evidenced by the Blue Sky Laws which have been passed in the different provinces—every province in Canada, with the exception of British Columbia and Prince Edward Island having passed a law in this connection within the past few years.

"These laws take different forms, some, like the Ontario law, demand that sellers of securities be properly licensed, while all endeavor to provide that full information should be available to every investor before he purchases a security. It is, of course, impossible to provide a method by law, or by other means, that will entirely protect all classes of people against the influence of the glib salesman, but we believe progress in the right direction is being made.

"Your committee feel that the Blue Sky Laws, as passed by the different provinces contain many excellent safeguards. There is, however, lack of uniformity, and it would be very desirable if an agreement could be reached among the several provinces for legislation of a more uniform character."

The discussions of the convention made it clear that the association does not exist for the purpose of making profits for its members but to provide a means for the improvement of the conditions under which its members operate.

The officers elected for the coming year are: President, J. A. Eccles, Montreal: vice-presidents, Col. E. G. Hanson, Montreal: F. J. Coombs, Toronto; L. W. Hicks, Winnipeg. Executives—Central section: J. W. Mitchell, Toronto; A. W. Scripture, Toronto: Albert Matthews, Toronto: D. I. McLeod, Toronto: A. W. McLennan, Toronto. Western section: A. N. Strang, Winnipeg, Man.; Harry Ford, Winnipeg, Man.; D. K. Horne, Moose Jaw, Sask.; H. M. E. Evans, Edmonton, Alta.; S. Burke, Vancouver, B.C. Eastern section: J. A. Eccles, Montreal; R. D. Bell, Montreal: J. W. Simard, Montreal; H. L. de Martigny, Montreal; W. I. Macdougall, Halifax, N.S.: James MacMurray, St. John, N.B. A. H. B. Mackenzie, honorary treasurer, Montreal. J. A. Kingsmill, general secretary, Toronto.

BOND MOVEMENTS OF THE WEEK

Week Ending June 17

	Int.	Due		Range	1923	Range	1924	Latest	Price		
BONDS	Rate	Year	Yield	High	Low	High	Low	Ask	Bid	High	Low
Cedar Rapids	5	1953	5.04	98½	93	99¾	95	—	99¼	99¼	—
Dom. Canners	6	1940	6.27	98⅝	95¾	97¼	97¼	97¼	—	97¼	—
Dom. Iron	5	1929	6.76	94	84¾	92½	85	92¾	92	92	—
Lyall Cons.	6	1932	7.97	97	85	90	88	—	88	88	—
Quebec Rly.	5	1939	6.55	88½	68	85	80	85	84¾	85	83½
Wabasso	6	1947	6.61	96	85	96⅝	90¾	92⅞	—	92⅞	—
Wayagamack	6	1951	8.16	86¾	75	80¾	74⅞	77	—	76½	75¾
War Loan	5	1925	4.56	100.95	99.10	101.15	100.15	100.80	100.70	100.61	100.45
Do.	5	1931	4.87	101.80	99.80	101.90	100.15	100.85	100.75	100.75	100.50
Do.	5	1937	4.76	103.30	102.00	103.30	102.10	102.45	102.35	102.35	102.20
Victory	5½	1924	4.49	101.65	99.80	100.90	100.05	100.55	100.45	100.40	100.30
Do.	5½	1927	4.45	103.50	101.60	103.15	102.15	102.55	102.45	102.45	102.25
Do.	5½	1933	4.90	106.70	104.15	106.65	104.30	104.55	104.45	104.55	104.40
Do.	5½	1934	5.15	103.90	101.30	103.30	102.00	102.80	102.75	102.85	102.50
Do.	5½	1937	4.85	108.45	106.25	108.17	106.30	106.45	106.35	106.45	106.35
Do., Renewal	5½	1927	5.08	102.80	100.75	101.80	101.00	101.75	101.50	101.40	101.00
Do., Renewal	5½	1932	5.13	103.15	100.80	102.75	101.35	102.40	102.30	102.27	102.10
Do., Refund	5	1928	4.93	99.70	98.80	100.50	99.40	100.20	100.10	100.35	100.10
Do., Refund	5	1943	4.98	99.25	97.90	100.50	99.00	100.15	100.05	100.25	100.10

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To yield 5.40%
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To yield 5.50%
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17 St. John St.
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Blue Sky Laws

Many Provinces have passed laws known as "Blue Sky Laws," designed to protect the public against fraudulent stock and bond offerings.

While these laws are undoubtedly good, as far as they go, we believe that investors are best protected by purchasing their securities from an investment house of character.

The June issue of our monthly booklet "Investment Securities" is now ready. Write for a copy and for particulars of our service.

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Limited
112 St. James Street MONTREAL | 111 Mountain Hill QUEBEC | 14 Central Chambers OTTAWA | 10 King Street East TORONTO
Advisory Board
Sir Charles B. Gordon, G.B.E., Chairman; Sir John Aird; A. J. Brown, K.C.; Hon. Sir Lomer Gouin, K.C.M.G., M.P.; Charles R. Hosmer; Wilmot L. Matthews; Lt.-Col. Herbert Molson, C.M.G., M.C.; Fred W. Molson; Sir Augustus Nanton; Edson L. Pease; W. N. Tilley, K.C.; Hon. J. M. Wilson

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City of London, Ont.
(Guaranteeing Western Fair Association)
14½ year 5% Bonds Due 30th June, 1938
Price 96.50 and interest to yield 5.35%
Denomination: $1,000—Interest June and December
Circular giving complete details mailed on request.
Orders may be telegraphed at our expense.
Municipal Bankers Corporation
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34 King Street, East. Toronto

Sterling Bond Corporation
Limited
136 St. James St. Main — 2404
MONTREAL
Branch: 147 Mountain Hill Quebec

IS THERE ANY DANGER OF TOO MUCH POWER IN FUTURE?

(Continued from page 1)

afraid that they have bitten off more than they can chew. They are ahead of the demand for power in that region." Here again it might be pointed out, though, that arrangements have been made to market all of the power from the initial develpment and of course the full development at this site may not be completed for some years.

In any event the views are interesting. Possibly the key to the situation is to be found in a discussion of how much truth there is in the old saying, "Industry follows power." Throughout the whole world it will be found that industrial development has reached its height where there are large supplies of coal or ample reserves of electrical energy in the shape of flowing rivers. A large part of Canadian industrial development has been built up on the basis of cheap power from our water powers. This will be even more true in the future as the shortage of power becomes more acutely felt in the compact, industrialized centres of the United States, and the attractions of low-cost power in Canada are set forth to better advantage.

Industries for Export Trade

Low cost power in Canada will also have the tendency to attract industries for export manufacturing. In industries where power is a larger than ordinary factor Canada will have a distinct advantage over many other nations.

In the final analysis, it is safe to assume that there will be no over-development of Canadian water power if we will but adopt broad national policies looking to the rapid economic development of Canada. This means forceful and effective immigration policies. It means strong-hearted policies of industrial development. The word "strong-hearted" is used advisedly for, in the past, Canada has been too prone to establish fiscal and trade policies based upon sentimental or political appeals rather than upon purely selfish motives as have been the policies of some nations that have been very successful industrially. Let Canada build up its home market for her products. Let Canada put herself in a position to take full advantage in export markets of her excellent natural advantages and the markets for power will grow mightily.

The question of power export comes into this discussion. If Canada were to permit the export of her electrical energy derived from water power there would be no danger of over-development. On the other hand the development of Canadian water power would go ahead at break-neck speed for New England, New York, Michigan and other American industrial states would pour capital into Canada for the development of water power. But well-informed public opinion in Canada is opposed on many grounds to the export of Canadian power. The arguments need not be detailed here; they are convincing and numerous. Canada need not consider the possibility of selling power in the United States as offsetting any danger that may exist of over-development of our water powers.

The answer to the problem is not to stop developing our water powers. That would be short-sighted and foolish. Rather the solution will come in developing Canada, by strengthening our industrial life and populating our agricultural areas. In both of these works the presence of much cheap low-cost power will be a powerful factor. Thus the very development of Canadian water powers helps to solve any problems that it creates.

TO PROTECT WHALEN DEBENTURE HOLDERS

Committee Organized for That Purpose Circularizing Holders of 7% Stock

MONTREAL.—Holders of the 7 per cent. debenture stock of the Whalen Pulp & Paper Mills have been circularized by their newly-organized committee, composed of the president of the company, T. W. McGarry, A. Maclaren, R. W. Leonard, T. F. Cole, F. R. Graham, and G. Gordon, asking that they deposit their securities with the Montreal Trust Co. The committee, which was formed for the purpose of protecting the debenture stockholders, point out in the letter that of the $4,625,000 6% bonds, there remains $3,967,500 outstanding; and of the 7% debenture stock, there remains still in the hands of the public $3,837,900 of the $4,000,000 issued.

The letter reads in part as follows:

"It appears that a committee representing the holders of the six per cent. serial mortgage gold bonds of the Company has been formed for the purpose of protecting the interests of the holders of the bonds, and the undersigned have consented to act as a committee in order as far as possible to safeguard the interests of the holders of debenture stock, and to consider the whole situation and if possible to consider and formulate any plan of reorganization which may be submitted or prepared for the consideration of the bondholders and the holders of the debenture stock.

"The undersigned believe that it would be to the interest of the holders of the debenture stock if they were to deposit their stock under an agreement of deposit (a form of which is enclosed) so that the committee will have the necessary powers to formulate a plan of reorganization if possible, or in any event to protect the rights and interests of the holders of debenture stock. In order that the committee may be clothed with sufficient authority to deal effectively with the situation, it is necessary that the holders of debenture stock should deposit their stock on behalf of the committee without delay, and the committee cannot impress on holders of debenture stock too strongly the advisability of acting promptly, if they wish to have their interests safeguarded."

CIVIC AND PROVINCIAL FINANCE

LOCAL FINANCING BECOMES POPULAR IN CANADIAN WEST

Western Bonds Formerly Sold in British Market Being Brought Back

From Our Own Correspondent.

CALGARY.—It is only ten years ago, when the flotation of provincial or municipal bonds by a Western city locally would have been regarded as impossible. In those days Victoria, Vancouver, Calgary, Edmonton and other prairie cities were selling their bonds in the London market on a 4½ per cent. and 5 per cent. yield basis. The tide has turned, however, according to G. F. Tull, of the financial firm of G. F. Tull and Company, and for the last three years, Eastern and Western investors have been taking advantage of the exchange on London to bring back those very bonds they had sold ten years before. At the beginning of the movement, the inducement was a yield of 7 per cent. which very soon decreased to 6 per cent. and they are now bought at 5¾ per cent. This decrease in the yield represented a considerable increase in the market value of these bonds and the tendency was towards a still greater increase.

It is interesting in this connection that the bonds recently issued by the city of Vancouver were entirely underwritten by bond dealers in that city, and have been taken up by the public on a 5¼ per cent. basis without any outside assistance. It is the opinion of Mr. Tull, as well as other financial authorities in the city, that the local flotation of Western provincial and municipal issues will constantly increase, not only in British Columbia but in the prairie provinces as well. This, in fact, will be no new development for Alberta, but merely an increase in the volume undertaken. For the past few years, numbers of Alberta school district bonds have been absorbed by the local investing public. A year ago, the town of Blairmore borrowed $20,000 for its school district and its bonds were taken up by a Calgary house and absorbed by Calgary investors within a month. That was cited merely as an instance of what had been happening throughout the past three years.

Only last week, said Mr. Tull, a small school district in the centre of the province sold its bonds on a 6½ per cent. yield basis. Had it not been for an arrangement of long standing with a New York house, the city of Calgary might have considered the flotation of its recent million-dollar issue. The school district of Calgary was also contemplating an issue through local bond dealers when the city sinking fund committee decided that they could not get a better investment for their funds and took it themselves.

The bond dealers of Eastern Canada, in the opinion of Mr. Tull, are showing themselves not merely altruistic, but also far-sighted in encouraging their confreres of the West in this development of the bond business and they are to be congratulated on the very excellent relations existing to-day between East and West.

LOW MONEY RATE NOT STIMULANT FOR BUSINESS

(Continued from page 1)

rate such as that just made will probably result in attracting funds from the New York market to some of these markets where they are more needed.

Another effect of the cut in rates will probably be the checking of the fall in American prices. Some influential American bankers and business men have recently felt that prices were declining too rapidly, that there was danger of a further spread of the present hand-to-mouth buying policy so apparent to-day in all parts of the United States, if the decline were permitted to continue. As a result they used their influence to have further cuts in the bank rates made.

One foreign banker, an authority on the exchange market, told THE FINANCIAL POST that he thought the cut in rates would, by arresting the fall in American prices, put a stop to the decline in sterling. There had been lately, he said, a great deal of talk in London of "four dollar sterling" before fall. With American prices falling rapidly and the buying of American foodstuffs and raw materials by Great Britain increasing, there was considerable reason for feeling that this prediction was well founded. The banker in question stated that had the fall in American prices gone on, sterling would undoubtedly have fallen further, with the result that British buying in this country during the next few months would have been curtailed in the most marked way.

"And so far as I can see, it would have affected Canada in much the same way," he said. Had sterling fallen to four dollars British buyers would have been compelled to cut their Canadian buying of Canadian foodstuffs as well as American."

Find Streets Are Not Permanent at Glace Bay

From Our Own Correspondent.

GLACE BAY. — The relatively transient nature of even "permanent" streets was brought forcibly home to Glace Bay people this week. On the same day that the town clerk made the final payment of $5,000 which wiped out the original 20-year bonds, the ratepayers were obliged to vote a new $50,000 issue for repairs which can no longer be delayed.

SEEKING PAYMENT ON BOND ISSUED IN 1864

From Our Own Correspondent.

NEW WESTMINSTER.—The New Westminster city council has had a rather striking illustration of the value of providing a sinking fund to meet current obligations, in the recent presentation for payment of a $500 civic bond issued sixty years ago. With accrued interest, the bond is now said to be worth approximately $15,000.

The records of the municipality show that in March, 1864, the president and treasurer were authorized to issue debentures for a total of $9,705. Provision was made also that an additional 100 pounds was to be secured on a loan for the use of the fire department, and the money was to be raised by a ten-year six per cent. bond. Apparently this bond was bought and held by an old Cariboo pioneer. Upon the death recently of this party, his executors presented the bond to the city council for payment. If it develops that the city is responsible for the present value of the bond, it will have to pay £3,126, 15 shillings.

Municipal Notes

NORTH SYDNEY BONDS

To retire $12,000 of debentures which mature this year, the Town of North Sydney is about to make a new issue of five per cent. bonds.

PORT ARTHUR'S TAX RETURNS

In payment of the first instalment of the 1924 taxes Port Arthur went over the top with aggregate collections of $495,000 to June 6. For the same period last year the collections amounted to $488,000. The citizens have thus created a record.

VANCOUVER MONEY BY-LAWS

The ratepayers of the City of Vancouver recently voted the sum of $750,000 for various phases of civic improvement, among which were the following items:

Roads	$200,000
Sewers	200,000
Water	150,000
Stanley Park protection	65,000
Surfacing Main Street, etc.	

Measures calling for the expenditure of $658,000 for school purposes were voted down.

IMPROVE TELEPHONES

The Fort William Utilities Department will spend approximately $35,000 this summer on improvements to the publicly owned telephone system. Tenders for the necessary equipment were opened and considered, and the contracts will be awarded shortly. Included in the new purchases is a large quantity of telephone cable, one of 11,000 feet of 600 pairs of lines, and the total cost of which will be more than $10,000.

PROFITS FROM LIQUOR

Like Quebec, the province of British Columbia finds the administration of the liquor business a fairly remunerative undertaking. During the six months ending March 31, the total profits from this branch of the government's activities exceeded $1,664,000. For the preceding two half years the profits were $1,402,000 and $1,250,000 respectively. During the period since the act came into force in 1921, a total profit of $7,135,000 has been realized.

FINANCE IMPROVEMENTS

For the extension and improvement of various public works and services the ratepayers of Glace Bay, N.S., have authorized an early issue of $131,500 5½ per cent. bonds in the $500 denomination. The items approved are: Enlarging reservoir, $15,000; water extensions, $8,500; sewer extension, $25,000; improving power station, $16,000; bridges, $17,000; repairing paved streets, $50,000. A proposal to spend $20,000 on permanent sidewalks was voted down.

CHANGE TAX COLLECTION

The City of Woodstock, Ont., recently passed a by-law amending the old regulations dealing with the collection of taxes. The new law provides that in case the school tax is not paid by the 16th of June, the November instalment immediately becomes payable and can be enforced by the city tax collector. The change was made in order to give the collector power to deal with cases in which citizens leave for the summer with their income and business taxes unpaid. The city experienced considerable loss in this way during the past year.

TAX RATES FOR 1924

Kingston County	12 mills
Port Dover	39 "
Wentworth	15¾ "
Kent County	5¼ "
Perth County	5 "

CANADA'S INCOME LEVY IS HIGHER

Recent Revision in U. S. Places That Country Much Below Canada

The recent income tax revision in United States places the levy of that country well below that of Canada. On incomes of $4,000 or under, the U.S. rate is 2 per cent. or half the Canadian rate. On incomes from $4,000 to $8,000 the tax is four per cent. On incomes in excess of $8,000 six per cent. is still the rate, but there is a substantial reduction in the surtax. Single individuals are granted an exemption of $1,000 and heads of families $2,500. Exemption for children has just been increased in Canada $200 to $500, but even with this the Canadian tax stands higher.

The following comparative figures are based on the income of a married man with no dependents:

Income	Can. Tax	U.S. Tax
$ 3,000	40.00	7.50
4,000	80.00	22.50
5,000	126.00	37.50
6,000	178.50	57.50
7,000	283.50	87.50
9,000	504.00	167.50
10,000	619.50	207.50
14,000	1,114.00	477.50
20,000	2,089.50	1,017.50
36,000	5,533.50	3,297.50
50,000	9,649.50	6,137.50
100,000	32,749.50	22,617.50
300,000	169,249.50	109,617.50
1,000,000	696,349.50	429,616.50

A Golf Game That Lost a Good Order

Are Canadian business men giving too much time to golf? Sir Joseph Flavelle brought up the question during his address to the Bond Dealers' Association last week when he asked if there was good reason for multiplying the links in the neighborhood of the city since the war by four or five with all the necessary investment and all the time that it takes. And then he told the following incident to show how in one case a golf game had cost a Toronto business man an important order:

A prominent business man told me that an American acquaintance coming to Toronto with the intention of placing an order for some plant which he required, which he thought he could best secure in Canada, was invited to luncheon by the gentleman upon whom he called, at one of the clubs. He invited three or four gentlemen to meet with him. They talked of golf, he said, all through the luncheon.

They made up a golf foursome and the gentleman whom he had come to see and with whom he thought to remain over night, said: "If you come in in the morning I will see you."

And after they went away for their game of golf, he thought, "Well, I think I will go out on the five o'clock train. I don't believe I will give an order in Canada for that plant."

Tenders and By-Laws

TENDERS WANTED

June 20, Cochrane.—$40,000, 5½%, 20-ins. debentures. R. C. Mortson, Clerk and Treasurer.

June 23, Kenora.—$31,687, 5½ and 6%, 30-yr. debentures. F. J. Hooper, Treasurer.

June 24, County of Ontario.—$164,000, 5½%, 20-ins. debentures. E. A. McKay, County Treasurer, Whitby.

June 30, Quebec City.—$590,000, 5%, 30-yr. or serial 30-yr. bonds. Manager, Bank of Montreal, St. Roch Branch, Quebec City.

BY-LAWS TO BE VOTED ON

June 21, North Vancouver.—$102,200 for civic improvements and school purposes.

July 4, Saskatoon.—$51,000 civic improvements.

SASKATCHEWAN

Authorizations Granted by the Local Government Board from May 30th, to June 6th, 1924.

Alsask.—$4,000; Wainfleet, $3,200; Trafalgar, $1,000.

Saskatoon, $26,516.

Debentures Reported Sold

Schools—Havelock, No. 2525m, $1,100, 10-yrs. 6½%, Sutherland Sinking Fund. Wheat Centre, No. 629, $1,000, 5-yrs. 6½%, Regina P. S. Sinking Fund. Biggar, No. 2497, $25,000, 30-yrs., 6½%, T. K. McCallum, Saskatoon. Hardy, No. 4233, $6,800, 15-yrs., 6¼%, Great West Life Ass., Winnipeg. Moosehorn, No. 664, $600, 6-yrs., 6½%, Melfort Sinking Fund. Russellville, No. 3136, $3,200, 15-yrs., 6¾%, Regina Brokerage & Inv. Co.

Good Luck R. T. Co.—$1,500, 1 year, 8%, locally.

MANITOBA MORTGAGE LOANS ASSOCIATION

J. H. Riley, Northern Trust Co., is the new president of the Mortgage Loans Association of Manitoba.

M. Taylor, of Osler, Hammond & Nanton, is vice president, and the following members comprise the new executive: C. C. Ferguson, retiring president, A. L. Crossin, William Whyte, J. H. Lawrence, John Paton, W. M. McQuaker, J. G. Coster, W. A. Rowland, G. H. Cooper and H. E. W. Phair. W. D. Love, of Love & Grant, was re-elected secretary.

Benson & Hedges (Canada), Ltd., report sales for the month of April amounting to $56,306, as compared with $62,733 for the corresponding month of last year.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date—Place—	Sold To—	Rate	Term	Amount	Price	Basis
June 17—Peterborough County	Matthews & Co., Toronto	5½%	20-ins.	$20,000		
June 16—Victoria	Dominion Securities Corp., and Synd.	5%	20-yr.	665,000	93.19	
June 6—Saskatchewan Schools, etc.	Various			39,250		
June —Edmonton	Gairdner, Clarke & Co., Toronto	5%	40-yr.	145,000		
June —Schreiber	Macneill, Graham & Co., Toronto	5½%	30-ins.	40,000	99.50	5.55
June —Westbourne R. M.	J. Macgregor & Baker Co.	6%	30-ins.	10,000	105.10	5.62
June —Grey R. M., Man.	Bond & Debenture Corp.	5½%	30-ins.	5,000	100.10	5.49
June —Dufferin County	Dominion Securities Corp.	5½%	15-ins.	48,000	101.179	
June 16—Duval, Que.	Rene T. Leclerc, Montreal	6%	10-yr.	50,000	101.13	5.85
June 16—Barton Twp.	Wood, Gundy & Co., Toronto	5½%	20-ins.	150,000	103.17	
	CORPORATION					
June —Asbestos Mines	Credit Canada and New York syndicate	7%	5-yr.	1,000,000		

We deal in—
C.P.R. 5's ... 1934
Bell Telephone 5's ... 1925
Belgo Paper 6's ... 1943
Belgo Paper 7's Preferred Shares.
Quebec Power 6's ... 1953
Quebec Railway 5's ... 1939
St. Maurice Power 6½'s ... 1953
Wayagamack 6's ... 1951
Montreal Tram-Power 6's ... 1929
Windsor Hotel 6½'s ... 1943
Laurentide Power 5's ... 1946
Cedar Rapids 5's ... 1953
Montreal Tramways 5's ... 1941
Abitibi Pulp and Paper 6's ... 1940
Also Bonds of Provinces and the larger Canadian Cities
RENE-T. LECLERC
Incorporated
Montreal— 180, St. James St.
Quebec— 74, St. Peter St.
(ESTABLISHED 1901)
M165

GUARANTEED
First Mortgage Bond
7%
plus generous Bonus of Common Stock
WE OFFER a short-term First Mortgage Bond which gives a very attractive yield and is at the same time amply secured.
Full particulars will be gladly furnished on request. Write to-day.
TEAR OUT
SEND ME CIRCULAR A-2
Name ....
Address ....
CREDIT-CANADA
Limitee
ESTABLISHED 1910
120 ST. JAMES ST., MONTREAL

We trade in
UNLISTED
STOCKS AND BONDS
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Phones: Main 2727-3247-3098

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Specializing in
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MONTREAL QUEBEC OTTAWA
Quebec Municipals and Industrials a Specialty

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36-38 KING ST. E. TORONTO
GOVERNMENT, MUNICIPAL, AND RAILWAY BONDS
ESTD. LIMITED

ARE YOU IN NEED OF CAPITAL?
We are prepared to assist you in securing the capital you require to make any good proposition successful, either by loan, partnership, syndicate, incorporation, or otherwise.
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INSURANCE FOR BUYER AND SELLER

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

SECURITY

The Mutual Life Assurance Company of Canada, a purely mutual company with a Dominion charter and an absolutely stainless record reaching back over fifty-four years, has a special claim on the confidence of the people of this country. In addition to paying highly satisfactory dividends from year to year, the Mutual has continued to strengthen its financial position so as to provide against every possible contingency. According to the Dominion Government standard of solvency, the Mutual of Canada could pay all its claims, based on the latest mortality tables, and still have nearly ten million dollars of surplus funds.

Business in force, $269,982,566.

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
Waterloo - - Ontario

The Cumulative Good Will of Nearly 70 Years

is one reason why each year adds its quota to the many thousands who avail themselves of Canada Permanent Safety and Canada Permanent Service.

We would appreciate being given an opportunity to explain to your our different plans for assisting you to save.

CANADA PERMANENT MORTGAGE CORPORATION
14-18 TORONTO STREET TORONTO
ASSETS $43,649,024.41

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$81,000,000.00
Policies Issued from $1,000 to $5,000

G. E. BAILEY, Secretary
W. H. HUNTER, President
G. R. COTTRELLE, Treasurer

RESPONSIBILITY--

Sun Life policies meet every possible life assurance need and are backed by well over two hundred million dollars of assets.

Sun Life policyholders enjoy the advantage in service which such a vast organization, doing a world-wide business, is able to offer.

You can rest assured

SUN LIFE ASSURANCE COMPANY OF CANADA
Head Office: MONTREAL

This Estate is Yours —For the Taxes

Suppose someone should offer you a valuable piece of property on condition that you keep the taxes paid during your lifetime—at your death clear title to the property to pass to your family. That would be a very attractive proposition wouldn't it?

But if in addition it should be guaranteed to you
(1) that the value of the estate will not shrink,
(2) that the rates, which are lower than tax rates of most Canadian cities will never be increased,

wouldn't you accept a $10,000, $25,000 or $50,000 estate?

This is just the proposition offered you by the London Life Insurance Company in its new Jubilee Policy —the product of fifty years' service.

Example—
An insurance estate set up in 1923 by a young man age 31.
Value of estate.............$10,000.00
Annual taxes (premium) 188.50
Rate: approximately 19 mills on the dollar,—reduced in 1924 to 18 mills.

A Life Insurance Estate is one of the most valuable and stable assets you could have—and so easy to secure under this plan. Ask one of our representatives to explain it to you or write to—

London Life Insurance Company
"Canada's *Industrial-Ordinary* Company"
HEAD OFFICES - LONDON, CANADA

PROTEST AGAINST SALES METHODS OF ASSURED SAVINGS

Soo Underwriters Claim Misrepresentation by Agents

Protest has been raised at Sault Ste. Marie concerning the activities of the agents of the assured savings plan being operated in conjunction with the province of Ontario Savings Offices. Some time ago the agents of the organization began a canvas for business at the Soo and it is understood that a large volume was secured. Representations made by the Sault Life Underwriters As- agents left the impression that the whole scheme was backed by the government and the matter was taken up by the Sault Life Underwriters Association. A protest resulted and advertisements were inserted in local papers pointing out that the insurance is issued and secured by several life insurance companies and not by the province.

This has followed previous complaints of a similar nature and it is understood the government is again considering the whole situation. The chief difficulty seems to be with the actual working of the plan. When complaints were made at a previous time some literature, which appeared to have a preponderance of the government side of the plan, was dropped and other material prepared, outlining the plan in what was considered fair terms. However, it is claimed that some of the former type of literature has been used in recent weeks.

The attitude of the Life Underwriters Association has not been antagonistic to the plan but to the alleged misrepresentation of it. It is not intimated that the insurance is not safe. because this is backed by regularly licensed insurance companies.

The plan being offered is a combination of insurance in several selected insurance companies, and saving deposits in the Savings Office. Deposits are made monthly at the Savings Offices by those taking up the plan. The larger part of this is retained by the office, which allows it to accumulate at 4 per cent. interest to the credit of the depositor. However, a portion of the money deposited in this way is turned over to the insurance company selected bv the depositor as payment of premiums on the insurance. In the case of this money the Savings Office acts only as a collection agent, and in no wise guarantees its security.

The selling of the plan is in the hands of an independent agency, which turns the contracts over to the Savings Office and the insurance company involved in each case. It is understood that the forms used are subject to the approval of the Savings Office officials, who may also exercise some supervision of the salesmen employed by the insurance agency.

Insurance Reports Show Careful Underwriting

According to the fifty-first annual report of the Union Insurance Society of Canton, the assets of the society now amount to £5,561,182, of this £3,341,394 is invested in gold securities. The paid up capital is £444,000, reserves £543,437, and reinsurance fund, £1,894,028.

The net premium income in 1923 was £1,650,414 and interest on investments £181,319, making a total of £1,831,733. Losses and claims paid were £591,629. The balance in current account at the beginning of the year was £372,998 and the balance for the operation of 1923 was £640,848.

The company is of British origin and was established in 1835 with head offices at Hongkong. It now has branches in many parts of the world.

A sister company, the British Trades' Insurance Company, was established in 1865 at Hongkong and carries on extensive operations in many countries. According to the report for 1923 just issued, the company has assets of £1,382,743. The paid up capital is £192,000, reserve fund £165,000 and reinsurance fund £357,628.

In 1923 the net premiums were £825,207 and interest £65,107. The losses paid amounted to £295,814. The low loss ratio of both companies indicates careful underwriting policies throughout their organizations.

Atlas Assurance Makes Changes in Field Force

R. R. Martin, who has been the Canadian manager of the Atlas Assurance Co. in Canada for some years, has gone to New York as general manager of the company in the United States. It is said that Mr. Martin is the youngest manager of any assurance company in the United States. Mr. Martin will be succeeded as Canadian manager by Clarence E. Sanders, who has previously been branch manager for the company at Winnipeg.

The company has been in business over 100 years, being organized in 1808, with head office in London, England. It has been licensed in Canada since 1887.

AETNA SECRETARY DEAD

William H. Newell, secretary of the Aetna Life Insurance Co., died suddenly on the morning of June 8. Mr. Newell was born in Hartford, February 20, 1852, and was educated in the local primary and high schools. His first employment was with the Charter Oak Life Insurance Co., from which he entered the services of the Aetna Life in 1888. He became assistant secretary in 1905, and was elected secretary in 1917.

Would Brokerage System Reduce Acquisition Cost?

The struggle of the Corporation of Insurance Brokers of London, Eng., to secure a charter, resulted in expressions of determination to accomplish the aims, and the passing of a unanimous resolution at a meeting on May 28 affirming this. Sir A. E. Bain, K.B.E., believed it was essential in the public interest that there should be a larger body of independent advisers capable of dealing with the technicalities of insurance, of buying in the best markets, of maintaining competition and preventing any ring or monopoly.

He quoted the Times as stating that: "The insuring public during the past twenty-five years had gained enormously by reason of the activities of the brokers."

While the brokerage system of writing insurance has developed extensively in Great Britain and the United States, it has not been extended in Canada, there being only one firm of resident licensed brokers in Ontario. Many large agencies are commonly known as brokers, but they usually represent a number of companies, and place their business through them. On the other hand, brokers act independently and send their business to any companies chosen.

It is claimed that the extension of the brokerage system would tend to reduce the acquisition cost on insurance. As this has risen in recent years, it has created a problem which is engaging the attention of leading managers.

PRODUCTION OF LIFE INSURANCE IS HIGH

Big Increase Over 1923 Results; This Year May See Record Production

The production reports of the Canadian life insurance companies continue to indicate that the field staffs are meeting with a high degree of success. As pointed out by Financial Service 1924, gives promise of being a record year. All previous records were broken by the Ontario branch of the Sun Life Assurance Company in May, when over $2,000,000 of paid for business was issued.

The other leading life insurance companies in Canada are doing equally well. The Canada Life Insurance Company's business paid for during the first five months of 1924 is 30 per cent. ahead of the same period of 1923, being $39,000,000. May was a remarkably good month, being about $3,000,000 better than May of last year. The Imperial Life Assurance Company of Canada has been progressing favorably. Its new business written in May was $3,031,715; this about equals the record month in the history of the company, which was established in May, 1922. The Manufacturers Life Assurance Company has thus far in 1924 shown a gratifying increase in its business over the similar period in 1923.

The North American Life reports May to have been the best in the company's history with the exception of 1921. Large increases have been made by the Monarch Life every month this year over similar months in 1923. For the month of May the Company's total of new issued business increased 61 per cent. over May, 1923, and the company's entire business for the first five months of 1924 shows an increase of 51 per cent. over the same period last year. Part of this increase is due to the rapid extension of the company's field force under the direction of J. W. W. Stewart the vice-president and managing director. Formerly the company confined its operations largely to Western Canada but it is now operating from coast to coast.

Strong Position Shown By Northern Assurance

The eighty-eighth annual report of the Northern Assurance Company for the year ending December 31, 1923, shows the total assets to be £15,773,245 or nearly $80,000,000. The strength of the financial position of the company is revealed by the fact that £5,113,545 is invested in British government securities. Next in importance come railway and other debentures and debenture stocks with a total of £1,348,666 and foreign government securities valued at £1,269,745. Other items include company's offices, £1,051,733; Indian and colonial securities, £938,220; shares of the London & Scottish Assurance Corporation, £838,800; and mortgages on property, £66,243.

The paid up ordinary and preference capital amounts to £903,661 and the reserve against premimums paid on stock totals £766,977. The various insurance funds stand as follows: fire, £2,666,650; accident, £824,996; marine, £1,635,825; life, £5,452,637; endowment, £156,470.

The revenue for 1923 totalled £6,094,777, made up as follows: net fire insurance premiums £2,533,300; net accident premiums, £974,202; marine premiums, £1,511,726; life premiums, £384,952. The loss ratio on fire business for the year was 57.78 per cent. of the premiums earned, while the expense ratio including commission to agents and all charges was 41.45 per cent. as compared with 42.89 per cent. last year.

APPOINTED SECRETARY

During the past week Charles R. Dent was appointed secretary of the Confederation Life Association by the Board of Directors in succession to the late James A. Macdonald. Mr. Dent's appointment comes as a recognition of valuable service to the company, with which he has been connected over thirty years. During this period he has had wide experience as a member of the head office staff.

REVIEW HISTORY OF FORESTERS AT BIG CELEBRATION

Over Ten Million People Insured by Fraternal Societies

The Independent Order of Foresters is this week celebrating the fiftieth anniversary of its first executive meeting, which was held at Newark, N.J., on June 17, 1874. In view of this, the celebrations are being held at Newark. The supreme chief ranger, W. H. Hunter, B.A., the supreme treasurer, George R. Cottrelle, supreme chaplain, Rev. Alex. MacGillivray, D.D., and other executive officers and representatives from many local courts were in attendance. On the return trip, at the end of the week, the executive officers will stop off at Niagara Falls, where a large celebration and picnic will be held on Saturday.

At the close of 1923 the Order had 165,000 members, and assets $40,001,411. Since its inception it has paid to members and their beneficiaries $80,885,632. Both the fraternal and insurance activities of the Order have been widely extended. Since changing its insurance system from the assessment plan to the reserve system, the Order has developed into a strong organization. It has thus been a leader among fraternal organizations in proving that such orders can operate insurance plans successfully, when the rates charged are adequate and reserves are properly maintained.

A feature of the celebration was the broadcasting by radio of the message of W. H. Hunter, supreme chief ranger. He pointed out that there are in the United States and Canada 184 fraternal benefit societies, with over 120,000 lodges and 10,000,000 members. In commenting on the sound growth of sound insurance, the societies in recent years, he said:

"It was in this decade, 1901-10, that the movement within the societies themselves for sound insurance finance culminated.

"It had taken time for the societies to realize that the fraternal and benevolent work of which they were justly proud depended in the last analysis upon the soundness of the life insurance benefit undertaken by the society.

"In its first thirty years, fraternal insurance was but term insurance, which expired at various ages, according to the sufficiency of the contribution. And in the benefits given, the members had wonderful value for the money paid, coupled with low cost of management and fraternal services which cannot be wholly measured by the dollar standard.

"The last twenty years have witnessed the development of fraternal benefit societies into a well-ordered system in which there is an intimate union of fraternity and sound life insurance. The ill-natured criticism of bygone years on the part of the exponents of commercial insurance has given place to recognition of the value of the fraternal system to life insurance generally. For through the societies millions of men and women have been taught the need and had their first experience in insurance."

Guardian Ass. Statement Reveals Sound Policies

The assets of the Guardian Assurance on December, 1923, were £10,134,768, according to the annual report just issued. The biggest item in these is British Government securities amounting to £2,913,184. Other assets include £1,160,724 in railway and other debentures and debenture stocks; £1,090,212 in mortgages on property in the United Kingdom; and property £701,209. The company's paid up capital was £1,012,965 and the various insurance funds were as follows; life, £5,044,348; fire, £1,171,000; accident, burglary and general, £374,200; marine, £313,152.

In the life insurance department the policies issued amounted to £1,125,196 and reinsurance of this totalled £53,469. Death claims totalled £211,362 and maturing endowments £89,780. The total life premiums were £471,288. The insurance in force at the close of the year was £15,048,975.

The fire premiums after deducting reinsurance were £898,323 and the net losses £431,479 or 48.03 per cent. of the premiums. The total expenses were 44.49 per cent. of the premiums. The accident, burglary and general premiums totalled £475,237 after deducting reinsurance and the net losses were £194,672. The loss ratio was 40.96 per cent. of the premiums and the expense ratio 44.01 per cent. Marine premiums were £127,214 and claims £23,404.

ANNUAL MEETING C. F. U. A.

Montreal.—The 41st annual meeting of the Canadian Fire Underwriters' Association will be held this year on June 24, at the Mansion Richelieu, Murray Bay, P.Q.

Great West Life Men to Meet at Alexandria Bay

The Great-West Life Assurance Company will hold its eastern convention at Alexandria Bay, N.Y., on the 24, 25, and 26 of June. There are one hundred and eleven eastern members of the Great-West Life Hundred Thousand Club, out of a total membership this year of one hundred and ninety-three. The convention will be featured by a session given over to sales demonstrations.

INSURANCE LICENSES

The following licenses have been issued by the Department of Insurance, Ottawa; to the American Alliance Insurance Company to transact fire and automobile insurance, excluding insurance against loss by reason of bodily injury to the person, the company's business being previously restricted to the transaction of business in the province of British Columbia; to the United States Merchants & Shippers Insurance Co., to issue inland transportation insurance, R. J. Dale, Montreal, having been appointed chief agent in Canada; to the Franklin Fire Insurance Co., of Philadelphia, to issue tornado insurance.

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British Empire Underwriters Agency
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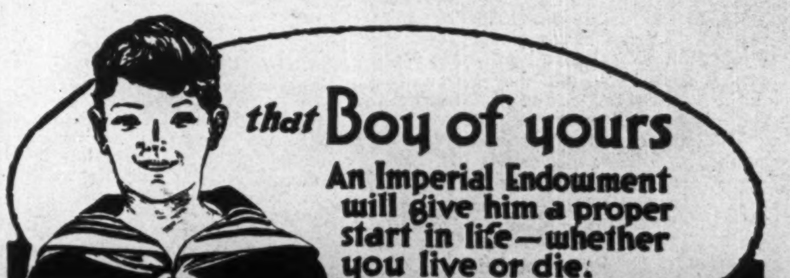

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A Fiscal Policy to Solve Problems of Western Farmer

Over-Production in Relation to World Demand—Importance of Home Market—Advantages of Turning to Mixed Farming in Moderate Way

By R. V. LeSUEUR,

Being the second installment of his budget speech dealing with economic conditions in Canada. The final installment will appear next week.

Let me turn for a few minutes to some of the fiscal changes proposed by the Acting Minister of Finance. To judge the proposal one must first diagnose the malady, and I think we will all admit that the greatest of our present ills is the one now being experienced by the agricultural industry of Canada. I am going to attempt the perhaps too-ambitious task of analysing that condition, and may venture some suggestions but in doing so, I do not want to be considered as forcing advice upon my friends to the left, and such analysis as I may make is offered not as infallible but as an honest endeavor to arrive at the essentials of the situation. Let me preface my remarks in this connection by saying that I fully appreciate the tremendous importance and the basic nature of our agricultural industry, that I have the fullest sympathy with it, and that I quite realize that its prosperity is of vital importance to Canada as a whole. Now, what are the real causes of our farmer's unfortunate plight? In the first place, we should bear in mind that of all our raw materials wheat is possibly one of the most internationalized and most subject to foreign conditions. Needless to say, there exists a condition of over-production; and let us remember that wheat is produced but once a year and is subject to weather conditions so that the farmer cannot as promptly adjust himself to conditions as can the manufacturer or certain producers of other raw material. We must furthermore keep in mind the fact that, as a general rule, and in the absence of abnormal influences, the curtailment or the increase of the total wheat crop is gradual and extends over a number of years. As to the degree of over-production which exists to-day, the figures given in the Book of International Statistics published at Rome show that during the years between 1909 and 1914 the average world production of wheat, exclusive of Russia, was about three billion bushels, which we may take as a normal figure for normal times. On the other hand, in 1921 and 1922, which were abnormal years, we find that production increased to about 3,116,000,000 and 3,120,000,000 bushels respectively. The biggest consumer of our wheat is Europe, and Europe to-day is below normal, is more or less impoverished. It is estimated that her consumption of wheat and rye, from both domestic and foreign sources, is about 20 per cent. below normal. Thus we have a condition in which the supply is above normal and the demand below normal; we have a condition of over-production with all its attendant hardships. But that is only one factor and I believe there exist two other important factors coincident, so far as time is concerned, with this situation and seriously affecting our agriculture. The first of these is a world-wide tendency towards falling prices; and it is a general rule, almost a natural law that just as the price of raw material rises more rapidly than that of the manufactured article, so on the other hand the price of the raw material drops more quickly than that of the manufactured article. This is very well illustrated in the case of wheat, flour and bread. If we look at an imaginary chart, we find that the price of wheat rose in a very irregular line to its peak and that the price of flour followed in a more gradual curve behind the price of wheat until it reached its peak; and then, on the reverse side of the curve, that the fall of wheat came first and in an irregular curve, and flour followed. We find that the price of bread on the other hand followed the course of flour, rose in a jerky line until it reached its peak, and that then it again followed flour in its descent to the normal level. The fact is that, under normal conditions, and without other adverse conditions, the price of wheat would naturally fall to its normal level before the price of the manufactured article would.

In addition, I believe there is another factor which is affecting our western farmer. We have had a most tremendous expansion as regards our wheat, both in the acreage sown and in the quantity grown. Under the influence of rising prices and patriotic appeals, our acreage has increased from about 11,000,000 acres in 1913 to about 23,000,000 acres in 1921, 1922 and 1923. It is approximately at that figure to-day. Our wheat production has increased from about 231,000,000 bushels in 1913 to approximately 470,000,000 last year. This tremendous expansion in a very short time is, in nearly all cases, and has been, I believe, in our case, built largely on credit. The credit grant has been very great and the expansion has been very great. The result is that our western agricultural industry is spread out very thin. This alone is a condition which might prove very hazardous; but when there is added to it simultaneously the condition of overproduction with it attendant hardships and the hardships which attach to a period of falling prices, then we realize to some extent the actual fight which our western farmer has to face and the real problems to be solved. For the agriculturist, struggling as he is in the grip of economic over-expansion and buffeted about by great and inscrutable world forces of over-production and following world prices, the remedy is proposed of reducing the tariff on agricultural implements, a remedy which, at its most optimistic view, as I understand the matter, can mean nothing more than a saving of ten or fifteen dollars a year to the average farmer, a remedy which carries with it the joker of injuring his home market by possibly destroying or greatly imperilling a great industry, that is taking the budget at its face value, and the remedy proposed is so insignificant and imaginary—if it is a remedy at all, compared with the giant forces from which we are suffering—that it appears trivial and not worthy of consideration. It is like sending a tin fish against the torrent of Niagara.

If we go beyond and do not accept the budget as it stands, but look behind the scene at the new regulation which has recently been issued altering the previous regulation of the dumping clause or special duty, then we find that even that amount of remedy has possibly been removed. The situation as regards the dumping clause is, I believe, clear, and I do not know that any purpose will be served by my going into it. I might, however, just say, in reiterating something which has been said in prior speeches, that for some years past there has been in force a regulation whereby, if the difference between the price paid by the Canadian importer and the price which the same article has as a fair market value in its place of origin is no greater than 5 per cent., then the dumping duty did not apply. The new regulation, however, issued on April 8, 1924, two days before the budget was delivered, repeals the special clause as to the 5 per cent., and now any machinery or other article coming in would pay full dumping duty. That would mean, as I understand the matter, that if an article is selling in the United States at $100 and the price quoted to the Canadian importer is $95, then under the old system there would be no dumping duty added, but the duty of 10 per cent. would be added to that $95 making the price $104.50. Under the present tariff and the new regulation the dumping duty of $5 would be added, and in addition to that a tariff of 6 per cent. on the $95, making the price $105.70 to the importer to-day as against the $104.50 before. I am not quarrelling with the protection to our industrial industries; I believe our industrial industries demand an adequate protection; but if the above is the situation, then the government is offering no remedy for our agricultural situation.

I will proceed to some suggestions as to our agricultural situation. Are there any real remedies for that ill? Is there anything that we can do to help our agricultural industry in western Canada? If the report of the Dawes commission or some other satisfactory solution is adopted in Europe and Europe recovers then I think we shall have some benefit from that source, but we must remember that Russia will be again entering the export market, and that the recent agrarian reforms in central Europe are to-day having their effect by way of increased crops, and therefore that we have to face a protracted period in which production will continue to exceed demand.

Under these circumstances, what remedies can we adopt to help our Canadian West? Let me touch first on the foreign market. As I have said, the present situation of over-production will probably continue for some time. But we have, I believe, a virtual monopoly on one thing and that is on the quality of exported wheat. It is admitted that owing to climatic and soil conditions our wheat contains a larger percentage of gluten than other exported wheats, and therefore it is mixed with soft wheats, for maintaining the uniformity and standard of the best flours. Practically all other exported wheats to-day are soft wheats. In Europe it is a well recognized fact that the peculiar quality of our flour is an essential element in the blending necessary for the best standard of flour. In the United States it is also a well recognized fact that this inherent quality is what enables our wheat to jump over any tariff barriers which the United States may erect. Our wheat overcomes the handicap of tariff barriers and finds a firm market in the United States. Now, hardly a bushel of our wheat goes to Central and South America. Those countries to-day have a population of about 90,000,000 people, they can be reached by an all-water route from Vancouver, they are properous and can pay for our wheat; they import annually from forty-three to forty-five million bushels of wheat and about twenty million bushels of wheat flour. Their bread is generally of poor quality, and they are anxious to improve it. Therefore I feel satisfied that if we organize and push this business vigorously we can find a market there for at least fifteen million bushels of our wheat every year by reason of its superior quality alone, and a market for at least seven or eight million barrels of our flour, also on the ground of superior quality. The same remark applies more or less to Asia. To-day Asia is importing about thirty-two million bushels of wheat and about seventeen and a half million bushels of wheat flour, of which we are supplying a very small percentage. We have the quality to recommend our wheat and flour, and we should make the most of that weapon supplied by nature in developing a firm and secure market for these commodities. There is no reason why we should not get our trade commissioners in South America busy on this project and so establish a firm and growing market. It can be done. We might enlist the services of some of our brilliant journalists for the necessary propaganda. And it is generally recognized by industrialists that if you have quality in your goods the marketing of them is only a question of efficent organization. Therefore, I would suggest that the development of these new markets be passed vigorously and sedulously. Let us spend some money for the purpose and forget the completion of the parliament tower for a few years. Of course, we must maintain the quality of our wheat and flour, and I understand that our western provinces are taking steps to this end by encouraging the use of good seed and the adoption of crop rotation, and other similar measures.

As to the home market, let us consider what our attitude should be. In the first place, this is a sure market, or at least, it can be made so, for our agricultural industry. It is also our most important market, as can be demonstrated by figures. We find according to the Bureau of Statistics that in 1919 Canada produced 193,260,000 bushels of wheat, of which she exported 78,000,000 bushels and absorbed at home approximately 115,300,000 bushels, or nearly 59 per cent. In 1920 Canada produced 263,200,000 bushels, of which she exported 129,215,000 bushels, and absorbed at home about 134,000,000 bushels, or approximately 51 per cent. In 1921 Canada produced about 300,000,000 bushels, of which she exported about 136,000,000 bushels, and absorbed at home approximately 163,000,000 bushels, or about 54 per cent. In 1922 Canada produced 399,000,000 bushels, of which she exported 215,000,000 bushels, and absorbed at home 184,000,000 bushels, or about 46½ per cent. I have burdened the House with these figures simply to show clearly the importance of the home market.

I am pointing out the amount of wheat that is taken care of in the home market. It may be eaten, used in the mills, or disposed of otherwise, but the home market takes care of it. I emphasize the fact that the home market absorbs more of our wheat than any other market—more even than the British market absorbs. In this case the home market is first in order and paramount in importance as it usually is. I feel that any remedy to be a real remedy for our agricultural situation must recognize the fact that the basic unit of our civilization is the nation, must recognize that the integrity of our industrial life must be protected, and the growth of our domestic markets and our internal trade encouraged. In my opinion the present budget does not carry out those conditions. It appears to say the least, to trifle with the life of the great industries of our country; it appears to extend the black hand of uncertainty toward the throat of a great many of our industrial concerns. That is a most unfortunate and a most unhappy condition, because it stagnates progress and certainly injures our home market.

In connection with our foreign exports especially our exports to South and Central America or other points through Vancouver, I wish to say one or two words on the question of freight rates. I have heard it stated that the regulation of freight rates is an inexact science, and I have no wish to take it out of the hands of those who know something about it. But there is a persistent and constant claim that the rates from Edmonton to Vancouver are the operating costs on that line and out of proportion to the freight rates to the East. As to that, I believe we have a special tribunal which is fitted to investigate, a tribunal which has had experience in railway matters. It has attached to it a body of experts, and there is no reason why the government could not refer the matter to them and get a report setting forth the facts, the decision arrived at and the reasons therefor which might form the basis for any proposed action looking to a change in these conditions. I think that should be done at once; we should get an immediate report on the subject.

All these suggestions have more or less the object of helping the farmer to help himself. I believe the farmer has to keep his home market; economically his basic unit should be the nation; his internal trade should be built up and protected. One remedy for some of his difficulties should be found in an energetic propaganda to bring before the southern countries the quality of his wheat, particularly in those sections where the value of the Canadian farmer's product is not known and appreciated, and where the people are looking for and would welcome better wheat, better flour and better bread.

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Return of the Chartered Banks of the Dominion of Canada, April 30, 1924

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of the Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Governm'nts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Loans from and Bal. due to Bks. in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable
	$	$	$	$	$	$	$	$	$	$	$
Montreal	37,723,214	44,460,063	....	4,200,589	116,415,007	322,591,569	84,064,253	1,955,042	65,439	569,860	201,059
Nova Scotia	14,179,161	1,694,437	....	1,608,388	27,899,082	109,753,435	31,921,809	2,978,018	232,989	775,240	190,592
Toronto	6,097,828	291,289	2,000,000	1,215,865	25,987,972	46,881,648	....	1,264,045	....	1,099,465	....
Molsons	4,699,314	670,948	2,000,000	728,138	13,043,115	39,339,414	....	196,345	33,490	154,088	....
Nationale	5,750,290	169,134	....	891,164	6,077,213	25,987,044	7,151,090	1,877,374	....	70,097	....
Provinciale	2,779,804	124,976	....	204,658	4,993,707	25,413,370	....	....	....	1,162	....
Union	7,913,470	429,071	9,000,000	5,079,068	27,683,354	49,894,662	1,879,071	276,089	1,570,760	702,173	....
Commerce	25,541,393	2,139,653	7,000,000	7,402,579	116,348,992	197,627,889	40,621,368	652,875	1,033,343	10,845,712	2,397,758
Royal	28,429,219	7,932,433	5,000,000	6,038,702	87,960,261	190,229,419	169,893,377	808,419	153,694	12,790,999	5,700,358
Dominion	6,517,377	817,775	2,500,000	2,081,506	22,938,433	54,278,747	3,369,683	958,536	530,682	1,176,339	24,030
Standard	4,453,355	701,400	3,000,000	1,561,232	15,166,494	33,585,975	....	1,367,895	1,171,794	991,796	....
d'Hochelaga	6,690,159	378,994	4,000,000	322,690	9,875,796	46,839,15	....	924	119,888	238,568	....
Imperial	9,490,911	1,006,176	....	4,268,748	24,714,300	58,558,224	....	600,295	5,454	456,716	....
Sterling	1,046,552	105,028	3,300,000	860,471	4,364,520	9,152,097	....	236,925	3,489	550,944	....
Weyburn Security	342,712	42,255	....	5,485	820,324	1,372,076	....	....	....	18,537	....
Total	161,654,759	61,023,632	37,800,000	36,469,283	504,288,701	1,211,504,684	338,900,651	13,172,782	4,921,022	30,441,696	8,513,797

NAME OF BANK	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and coin held	Average Dominion notes held	Greatest amount notes in cir.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	10,502,399	897,372	827,626	27,250,000	27,250,000	678,955,497	31,175,000	12	1,236,898	17,328,726	58,340,079	40,892,969
Nova Scotia	4,353,082	....	14,260	19,500,000	10,000,000	225,100,498	15,000,000	16	1,751,707	9,536,540	7,885,892	15,561,870
Toronto	824,100	....	2,180	6,000,000	5,000,000	96,664,395	10,000,000	12	881,101	1,001,564	5,830,127	6,961,215
Molsons	815,852	567,502	3,994	5,000,000	4,000,000	71,252,204	5,000,000	12	234,868	573,381	3,432,974	5,315,479
Nationale	6,381	574,721	45,735	400,000	3,000,000	52,000,249	5,000,000	6	520,213	333,054	756,511	6,120,400
Provinciale	....	49,113	4,094	1,500,000	3,000,000	38,070,885	5,000,000	9	....	177,090	258,907	2,907,959
Union	1,095,949	1,619	8,672	1,750,000	8,000,000	115,283,963	15,000,000	8	1,818,826	1,116,924	4,789,671	8,517,610
Commerce	10,301,214	....	9,629	20,000,000	20,000,000	461,922,410	25,000,000	12	5,550,675	16,249,000	20,335,000	28,485,123
Royal	19,466,656	....	15,351	20,400,000	20,400,000	575,218,894	25,000,000	12	1,372,864	9,669,706	17,343,658	31,444,962
Dominion	2,193,942	429,703	2,455	7,000,000	6,000,000	111,819,214	10,000,000	12	719,809	2,041,000	3,826,000	7,376,734
Standard	136,981	....	120,433	2,750,000	4,000,000	68,007,359	5,000,000	12	52,118	1,145,593	2,936,278	4,862,075
d'Hochelaga	593,421	....	1,807	4,000,000	4,000,000	77,061,365	10,000,000	10	249,958	548,791	2,316,546	6,992,609
Imperial	342,865	....	212,565	7,500,000	7,00,000	114,216,258	10,000,000	12	226,980	2,043,659	8,931,181	10,802,402
Sterling	2,300	....	27,194	500,000	1,235,000	21,384,524	3,000,000	8	310,273	70,692	952,788	1,207,292
Weyburn Security	....	57,828	9	225,000	524,560	3,408,790	1,000,000	5	95,882	19,498	123,971	360,662
Total	50,635,142	2,559,858	1,296,004	123,775,000	123,409,560	2,710,366,505	175,175,000	......	15,022,172	61,855,218	138,059,583	177,809,361

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stocks	Call loans in Canada
	$	$	$	$	$	$	$	$	$	$	$
Montreal*	17,624,481	63,006,538	3,142,176	383,935	23,077,526	....	11,262,346	73,173,009	45,912,961	9,487,686	9,080,091
Nova Scotia	9,629,533	8,654,169	998,123	1,691,484	11,119,226	....	2,057,007	33,022,891	9,585,962	8,082,844	12,569,838
Toronto	1,007,926	7,019,185	446,135	60,922	5,234,182	....	1,175,047	16,182,160	3,467,458	1,589,812	5,484,829
Molsons	589,764	3,369,398	476,885	39,434	3,262,945	6,028	1,101,745	7,175,267	1,401,030	1,309,657	4,092,863
Nationale	348,218	1,212,772	565,635	101,708	1,385,312	....	839,187	3,694	7,550,586	4,882,277	324,117
Provinciale	185,529	269,112	573,902	26,147	2,515,541	1,770,162	248,671	3,898,540	2,853,696	2,134,549	4,731,290
Union	1,142,807	5,447,248	546,075	70,697	2,880,716	98,320	1,364,655	17,290,863	6,041,055	3,310,354	1,179,599
Commerce	10,301,730	15,685,651	1,898,180	1,550,855	19,671,588	1,060	11,416,899	46,190,590	19,067,419	8,600,296	31,450,625
Royal†	12,832,418	20,109,948	2,704,202	23.030,169	24,251,083	4,207	19,424,469	47,805,989	16,060,406	12,773,657	21,262,537
Dominion	2,064,469	4,779,816	783,595	145,409	5,238,325	457	1,577,350	17,295,985	3,656,814	2,295,755	5,727,489
Standard	1,156,795	3,994,372	299,465	43,226	4,191,153	100,000	663,576	9,085,317	2,367,512	131,644	3,378,327
d'Hochelaga	617,637	1,961,948	991,225	77,876	2,780,636	2,220,769	644,379	5,430,895	6,454,820	638,210	5,409,591
Imperial	2,061,780	9,587,931	763,912	54,322	6,399,700	401,205	2,275,878	12,803,644	4,275,140	196,515	4,218,320
Sterling	72,683	1,524,327	138,360	5,721	722,012	6,989	304,731	8,803,297	1,566,134	270,099	69,533
Weyburn Security	20,416	123,447	20,120	3,839	14,429	133,949	150,433	8,053	9,314	....	....
Total	59,656,186	146,745,862	14,347,990	27,285,744	112,744,374	4,743,146	54,506,372	298,170,194	130,270,307	55,703,355	108,979,049

NAME OF BANK	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	121,663,408	209,225,292	17,057,029	31,651,814	2,081,319	617,256	954,728	9,800,000	10,502,399	1,320,000	17,000,000	1,319,987	590,073	679,934,064
Nova Scotia	8,624,562	80,640,200	14,089,451	5,747,531	687,210	67,632	133,356	7,694,408	4,353,082	503,554	6,000,000	....	184,830	226,136,904
Toronto	....	48,032,916	....	2,127,640	367,416	....	86,216	3,469,283	824,100	249,233	2,000,000	....	....	98,824,469
Molsons	....	40,812,126	....	1,370,866	656,378	107,763	64,095	2,913,968	815,852	195,000	1,500,000	259,685	350,585	71,871,345
Nationale	....	20,404,578	....	546,181	5,515,475	582,755	169,122	186,446	6,381	152,563	3,200,000	3,716,101	307,132	52,000,249
Provinciale	....	14,932,043	....	1,941,945	152,461	91,479	78,002	1,432,034	....	151,565	....	....	207,741	38,194,415
Union	217,584	62,890,687	1,627,772	3,579,336	647,538	390,455	392,650	2,258,773	1,095,949	396,000	1,200,000	2,149,744	19,605	116,238,493
Commerce	16,685,450	195,008,436	27,813,219	22,379,173	2,158,397	1,831,854	466,173	11,824,432	10,301,214	1,000,000	10,300,000	1,087,377	405,862	467,096,490
Royal†	52,334,025	147,911,993	118,539,252	8,737,862	2,167,512	1,700,308	410,330	13,699,092	19,466,656	1,020,000	11,500,000	586,346	450,618	578,783,089
Dominion	3,073,198	53,412,386	611,191	1,312,010	356,944	87,909	21,065	6,129,573	2,193,942	300,000	1,300,000	....	525,442	112,889,135
Standard	....	36,853,484	....	1,828,693	685,577	324,796	68,510	1,900,870	136,981	200,000	1,100,000	....	43,237	68,553,545
d'Hochelaga	200,000	37,020,646	....	1,587,149	165,472	544,383	628,533	3,672,840	593,421	209,145	6,000,000	....	120,644	77,970,231
Imperial	2,550,000	50,967,894	....	6,516,542	607,512	420,256	383,417	5,083,780	342,865	337,926	4,502,533	....	548,301	115,299,383
Sterling	....	5,174,576	....	549,413	189,009	14,480	20,617	759,193	2,300	66,000	....	1,031,980	114,401	21,405,865
Weyburn Security	....	2,138,694	....	102,160	133,488	131,459	69,543	225,474	....	24,254	....	....	70,375	3,379,454
Total	205,348,227	1,005,425,951	179,737,914	89,978,315	16,571,708	6,912,785	3,946,357	71,050,166	50,635,141	6,125,240	65,602,533	10,151,220	3,938,846	2,728,577,131

**Of this deposit $9,502,583 is in gold coin; the balance is in Dominion notes.

*The business of the branches of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies in compliance with legal requirements of the respective countries, and the figures are incorporated in the above-mentioned general statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

DEPARTMENT OF FINANCE, OTTAWA, JUNE 2, 1924.

PRINTING UNION OUT TO HELP THE INDUSTRY HERE

Union Leaders Want Duty on American Imports

OPPOSE SALES TAX

Declare That With 50 Per Cent. Tariff and Handicaps Removed Canadian Plants Will Have Fair Chance

Special to The Financial Post.

LONDON.—A serious interest in general trade conditions affecting his particular industry was displayed by Capt. J. A. P. Hayden, M.C., in presiding over the convention of Ontario and Quebec Typographical Unions held here last week. Too many trade union leaders devote their entire thoughts to schemes and tricks for gouging the employers, with results which usually lead to poor service, great waste, and higher cost of production all round—all of which eventually wipes out increased wages. Union leaders and the little, narrow-minded fellows who too frequently speak for employers, develop discord instead of promoting the partnership feeling that should exist in industry if all are to benefit as they should.

As a result of the conference recommendations will be forwarded to the federal authorities asking that a 50 per cent. tariff be placed on all printed matter, plates, mats, electrotypes and stereotypes entering Canada from the United States. Advancing the argument that the volume of business transacted by American printing concerns permitted specialization to such an extent that Canadian concerns could not compete with them, hampered as they were by heavy taxation, the trade unionists will ask in addition, that the sales tax, as it applies to the printing trade, be entirely removed.

Explaining the situation at the conference, Capt. Hayden declared that it was a vital necessity to the printing industry of Canada, that action be taken without delay. True enough, he said, some measure of relief was afforded by the Copyright Act and the Marking Act, but more effective means must yet be adopted.

The tariff on printing is now 15 cents per pound and if the recommendations made at London are acted upon by the government, no doubt the Canadian printing industry would then be amply protected and would be placed on a fair basis with outside competition.

The protection which the Canadian printing industry is seeking has for many years been given to the industry in the United States. The printers, and publishers over there have not only been given every desirable protection by the U.S. Government but have apparently been very much favored by our own Government. Of this there is plenty of evidence. Printed matter valued at several millions of dollars per annum is sent from the United States for consumption in Canada, while practically none goes from here to the U.S.

Paper is the basis of printing and Canada is among the leading paper producing countries of the world. Paper, in fact, is only second to grain as our greatest exported products. Furthermore, it is contended Canadian printers can produce printing equal in quality to the printers of any other country. Then, it is only reasonable that Canadians should aim to produce all printing for Canadians; moreover, Canadian printers, because of great natural advantages of raw material, aspire to do printing for all America in place of having much of it supplied from the other side.

True, as Capt. Hayden says, a curtailment of the amount of printing coming into Canada from the United States has been effected in the past two years through the enforcement of a Marking Act. Although commendable, it only partially stems the tide. The Act provides that all printed matter coming into Canada must bear a mark describing the country of its origin. The situation in this respect is interesting. It is a usual practice of United States firms to have their printed matter for their Canadian branches printed in the U.S., then sent to Canada for distribution. Since American firms realize that the imprint, "printed in United States," is inimical to a fully "Canadianized" message, the Marking Act has been, to a certain extent, effective. Still the Act does not give Canadian printing industry the protection it deserves, it is argued.

The recommendations made here by the Ontario and Quebec Union printers seem to offer an effective solution to the problem. The imposing of the tariff of 50 per cent. as recommended instead of the present tariff of 15 cents per pound on all printed matter from the United States would in all probability provide the protection needed.

The removal of this tax would, it is submitted, result in more printing, employment of more printers, and in turn, the employment of more printers would help to stop the exodus of Canadian printers to the United States.

Speaking in this connection, Capt. Hayden stated that from his own home city there are now 32 printers employed in New York. This reflects conditions throughout Canada in the printing industry and emphasizes the fact that Canadian printers must receive more effective Government attention if the printing industry is to hold its own and thrive.

It is authoritatively stated that 3,000 men—equal to 12.000 to 15.000 persons—work in the United States on supplies for use in Canada, and the great bulk of these are printed on paper and plup from Canada.

McLACHLAN CONTROLS STEEL UNION NOW

His Latest Activity Since Prison Release Causing Some Misgivings in East

From Our Own Correspondent.

SYDNEY.—An event of outstanding significance to the industrial peace of Eastern Canada took place here very quietly, several days ago, when James B. McLachlan, nationally known labor leader, and just recently released from prison, became secretary of the Sydney steelworkers' union. So unostentatiously was the transaction accomplished that it aroused little or no attention here, but it really marks the beginning of a new O. B. U. movement, this time in Nova Scotia.

Following the disastrous strike of last summer, the steelworkers' union went out of existence. The present union is a purely Canadian affair. But McLachlan has a positive genius for recruiting and building up broken down labor organizations. Also he is editor of the frankly Communistic Maritime Labor Herald, which gives him a fairly effective local publicity weapon to work with. Things are more favorable for joint union action now. The steelmen have their independent local union. The miners are restive in the U.M.W. and although they nominally obey the provisional officers at Glace Bay they look to McLachlan as their real leader.

Under such circumstances, and knowing McLachlan's oft-repeated belief in the efficacy of united action, there are those who foresee, that at the first good opportunity, both these bodies of workers are to be welded into a strong organization that may be called anything—but will be in reality the old O. B. U., dead in Alberta, resurrected in Cape Breton.

OVER $5,000,000 NEW MONEY WILL GO INTO MERGER

(Continued from page 1)

Light, Heat and Power Consolidated shall buy in one share at par.

This will work out in the following manner: it will take about 26,593 shares of preferred stock and 26,593 shares of common stock of the new company to acquire control of Quebec-New England Hydro Electric Corporation and Montreal Tramways and Power Company and through them, their various subsidiaries. The Shawinigan Power group will then buy 26,594 shares of preferred at $100 a share and 26,594 shares of common shares at $100 a share, giving the company $5,318,800 of cash to work with. This will be sufficient to retire maturing indebtedness, to pay off inter-company accounts, etc., and will make it unnecessary to do any financing immediately in the way of a bond issue.

Leaves Working Capital

It will not be a great deal more than enough. It will take $2,550,000 to meet the maturing bonds of Quebec-New England Hydro-Electric Corporation; $1,250,000 to meet the deficit in the balance sheets of the consolidated group; $850,000 to provide for uncollectable accounts; $45,000 to meet taxes, legal expenses, etc. This leaves about half a million for working capital.

The preferred shares will have no voting power. This will rest with the common shareholders. The preferred stock on the other hand will be guaranteed jointly by Shawinigan Water and Power Company and Montreal Light, Heat and Power which will be sufficient backing to make them worth par or thereabouts. They pay 6 per cent. interest.

The deal, if it goes through, will provide Shawinigan-Montreal Power group with an immediate market for more power. Montreal Tramways is now using a steam unit and Quebec-New England Hydro-Electric Corporation has not enough power developed to cope with increasing demands for service. The power will be sold to these units through the Holding Company which will be in a position to buy power from its sponsors more cheaply than the subsidiaries can purchase it or develop it under present conditions.

The Political Side

The political side of the deal is likely to be watched with interest. There is some criticism of the transaction in Montreal municipal circles on the ground that it will create a virtual monopoly in public utility service in Montreal. However, public utility baiting has never been popular in this staid conservative province and as Montreal Power may be expected to reduce its rates to consumers every time it increases dividends to shareholders, just as it has been doing in the past, the opportunity for popular orators to make stump speeches damning the new merger line-up will not be likely to develop.

The new holding company already controls Quebec-New England Hydro-Electric through purchase of the interest of the Webster-Perron group and is offering $90 a share ($45 of preferred and $45 of common in the new company) for each remaining share of Quebec New-England stock. Even if the Tram Power folks stay out, the light and power companies of Montreal seem certain to get together. This would eventually bring about the larger merger for the power supply of the Tramways company and the financial connections of Tram Power are closely affiliated with the Quebec-New England and the other larger companies in the deal.

TO RESTORE BRITISH SUPREMACY IN STEEL

A mining engineer, recognized as a high authority in his field, who has been making a thorough investigation of the iron ore deposits in Ontario is convinced that, with proper co-operation between Canada and England, British supremacy in the iron and steel industry, which has been lost to the United States, can be regained within the next ten years.

Ontario's valuable iron ore deposits are in the pre-Cambrian which has already produced many millions in gold after experts had declared that this formation did not carry the yellow metal in worth while quantities.

CANADIAN WESTERN LUMBER

The Canadian Western Lumber Co., which includes the Columbia Lumber Co., reports sales of lumber for the month of April amounting to 8,663,342 feet, and the price realized $241,279. Sales during April last year at 10,845,519 realized $306,292.

CONSOLIDATED SMELTERS

Launching of the $8,000,000 patent infringement suit against the Consolidated Smelters caused a little flurry, some of the more nervous stock holders rushing to sell. A possible suit has been hanging over the company for a long time. The stock market does not seem to have regarded it as any menace to the company.

SHOULD HOLDERS OF DEBENTURES BE PROTECTED?

Mr. Meighen and Mr. Robb Debate Issue in House

Special Correspondence.

OTTAWA.—In vew of the official action taken to control the sale of debentures in the case of one loan company which had not been living up to the conditions of the federal department of insurance and loan companies, the recent debate in the House as to whether the government should protect debenture holders or only depositors of these companies raises a live issue. The matter came up during the discussion of a change in the act affecting insurance, loan and trust companies providing for the splitting up of the expenses of the federal department which up to the present have been borne entirely by the insurance companies. The amendment, according to Mr. Robb also covers some minor changes defining the classes of securities which would come under the act; the investments are also defined. Mr. Meighen brought up the whole question of the scope of inspection by the department:

Mr. Meighen.—We have gone pretty far in connection with the inspection of banks in certain proposals put forward by the minister this session. It is said that consultation involves responsibility. Well, if it does, inspection involves responsibility many times more. I have no question mark in my mind at all as to the wisdom of government inspection so long as efforts are directed towards reasonably safeguarding the public of Canada; but I have a great question mark in my mind as to the wisdom of government going into the field of inspection where its wards whom it is supposed to be protecting are not the public but merely investors, debenture holders and people of that class. I hope the government is not going too far. I am not making any objection; in fact the question mark in my mind is: Have we not gone too far already? Also, are we not pushing powers now vested in our officials too far? Are we not delving at the roots of enterprise and all the time involving responsibility on ourselves to a great degree, not on behalf of the public of this country, but really on behalf of investors who are entirely competent to look after themselves?

Mr. Robb.—My hon. friend must bear in mind that some of these trust companies and loan companies under their charters invite and secure deposits from the public. I think it is quite reasonable that we should have a measure of inspection of these companies as to their investments and administration.

Mr. Meighen.—I should like to have the minister's view as to how far we should go in seeking to protect debenture holders in this and other lands, and thus incurring a degree of responsibility on behalf of people who can look after themselves a lot better than we can. If we keep on, nowithstanding anything we do there is sure to be trouble, and when that trouble comes are we not going to be in a position where we cannot answer the demands of the debenture holders to be recouped by the Dominion of Canada? In a word, what need we care? If there is one class of people in the world who are able to look after themselves it is the money lenders. Had we not better keep out and let them look after themselves, rather than make provision that will involve increase of staff, the final object being only to pile greater and greater burdens on our own shoulders?

Mr. Robb.—There is no intention of increasing the staff; it is just a question, as I said before, of distributing the cost. It was determined in the amended act of 1920 what were the liabilities and what should be the nature of the report submitted to the department, I find in the statement of liabilities in the schedule to the act that the very first item is marked, "Liabilities to thepublic; amount of debentures or debenture stock issued and outstanding." We require that, and my hon. friend will recognize that debentures are regarded as a liability to the public. We are not rescinding that; we are not changing, enlarging or reducing it.

One of World's Leading Traction Companies

FROM all parts of the United States and even from other parts of the world, municipal and traction authorities come to Montreal to study its traction system. They are interested not only in the actual physical equipment and the methods of operation but in the contract between the Montreal Tramways Company and the City of Montreal.

It is a far cry from the first little 18-foot-long horse-car of the City Passenger Railway in 1861 to the scientific electrical service of the Montreal Tramways Company of to-day. Instead of 61 horse-cars, there are now 900 of the largest, well-lighted and most comfortable all-steel cars on the Continent. These are swept every night by vacuum cleaners and dusted and washed every third day—a record for cleanliness that is unique.

Instead of several independent companies, each collecting a separate fare, these have been united and merged with the Montreal Tramways Company, over whose tracks passengers now travel for one fare, and benefit by a universal transfer system that is probably without equal on the Continent.

The Montreal Tramways Company has been a consistent pioneer in developing Montreal. Wherever its tracks have gone, communities have sprung up and flourished. Last year 188,000,000 passengers—21 times the total population of Canada—were carried in the Company's cars over its 270 miles of track.

Unlike the record of most cities—even New York—no snow storm in recent years has been allowed to interfere with the continuous service of the Company. 47 powerful snow sweepers, including 6 double-track sweepers recently added, each with two hundred horse-power motors and each weighing 45 tons, enable the street cars to run when all other traffic is blocked. And this in a city where the annual snow fall averages 121 inches.

There are over 3,700 employees trained in the Company's own Training School to such a degree of efficiency that the claims of the Company for accidents are less than half that of most cities in the States.

The street railway system of Montreal has been in successful operation since 1861, and the Montreal Street Railway Company, the principal predecessor of the Montreal Tramways Company, paid consecutive annual dividends on its capital stock for more than 30 years. The Montreal Tramways is now paying dividends at the rate of 10 per cent. on its common stock.

"Service at Cost" as it Works in the City of Montreal

MONTREAL TRAMWAYS COMPANY operates in Montreal under the terms of a contract with the city that provides for virtual service at cost to the citizens. Montreal's tramway contract has received the approval of experts from all over the world. It not only insures that the citizens of the city will at all times get the best service and at the lowest reasonable fares but that the investors in the company's securities shall receive a fair return on their investment. The company is assured also of being able to finance required extensions on fair terms.

The contract is based upon the recognition of two essentials:

1. That Montreal's continued growth is largely dependent on adequate expansion of its traction system.

2. That the investors who supply the capital for this expansion are entitled to every protection that the law can devise.

The 35-year contract negotiated by the present management with the City of Montreal in 1918 and ratified by the Legislature of Quebec by which the city becomes a virtual partner in the enterprise, is considered a model of its kind and its features have been extensively copied by members of the American Electrical Railway Association.

The contract creates a commission of three men, residents of Montreal, appointed by the Lieutenant Governor-in-Council of the Province of Quebec for ten-year periods, subject to removal by the same authority, and called the Montreal Tramways Commission. The duties of the Commission are to administer the terms of the contract which grants authority to, and imposes the obligation upon the Commission to always maintain fares which shall provide revenues sufficient to meet the following requirements in the following order of priority:—

1. All Operating Expenses and Taxes.
2. Ample funds for Maintenance and Renewals, and in connection therewith to create a Maintenance and Renewal Fund of at least $500,000.
3. An annual return to the Company of 6% on the stipulated capital value ($36,286,293 plus capital expenditures made subsequent to December 31, 1917), as well as 6% on all working capital required for the operation of the Company; also $181,431.47 per annum during the life of the contract to cover expenses of financing.
4. A rental of $500,000 per annum to the City of Montreal.
5. The obligation to create a Contingent Reserve Fund of $500,000.
6. Any surplus after providing for the above to be divided as follows:
    20% to the Company.
    30% to the City.
    50% to be used to create a Tolls Reduction Fund of $2.500,000 to be used by the Commission for reduction of fares as provided in the contract.

The Contingent Reserve Fund and the Tolls Reduction Fund can be drawn upon in turn to make up any deficiency in the payments to be made to the Company by way of return upon the capital value.

It is also provided by the contract that in the event of any shortage of revenue arising in any one year to cover the obligations mentioned above, the Commission is authorized and obliged to add such shortage to the requirements of the next year and to make a rate of fare to cover the total.

As present capital value, as fixed by the contract, is in excess of total bonds and debentures outstanding and as further issues of bonds and debentures are limited to aggregate not more than 75% of the additional capital value to be furnished, the Company is assured of sufficient income to pay interest on bonds and debentures.

The City of Montreal is directly interested in the prosperity of the Company, inasmuch as the terms of the franchise contract provide that the Company's right to receive its return on its capital value has priority over the City's right to receive $500,000 in annual rentals and a percentage of surplus earnings.

Montreal Tramways Company

Public Utilities Number, Featuring Water Power Development in Canada

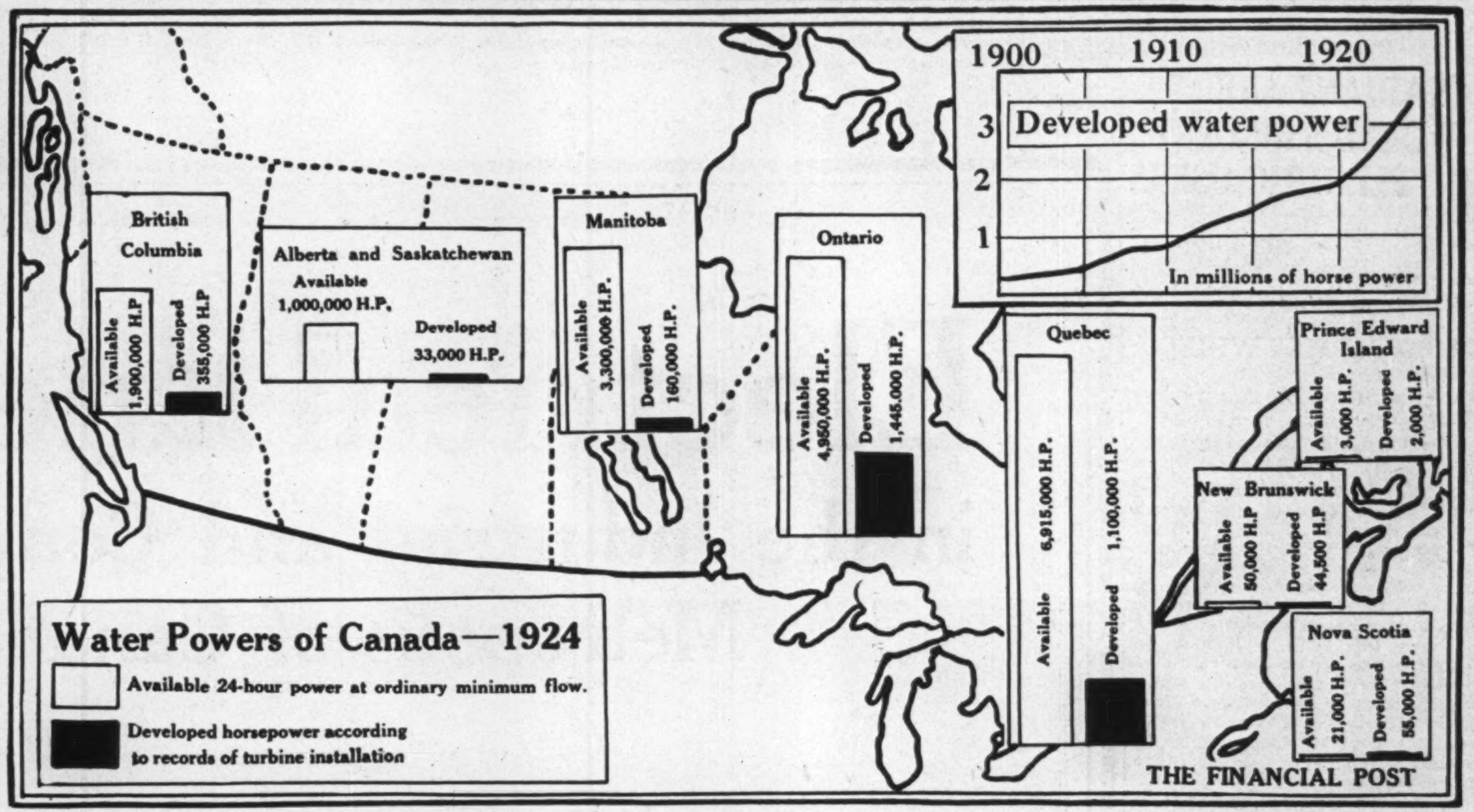
THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

PUBLICATION OFFICE: TORONTO, JUNE 20, 1924

Canada Wants $300,000,000 for Power Development

With $700,000,000 Already Invested in Water Power Enterprises, Canada Looks Forward to Further Expansion and Invites the Capital of the World—The Record of Investment in Canadian Power Developments is Excellent—Survey Indicates Profits to Investors



Only the barest minimum of Canada's water power resources is indicated in the chart above. The figure of the available resources of each province is the figure of power available at minimum flow. For power available six months of the year (which could be supplemented by steam power in off seasons) the figures would average double those shown. And as a matter of fact actual turbine installation at any water power site is usually 30 per cent. higher than the horse power estimated for six months' flow. This explains the apparent anomaly of Nova Scotia having more developed water power than is shown as available.

Here is another, less conservative but nevertheless fair and reliable, estimate of Canada's actual power resources based on possible turbine installations. The record of present installations is also given to show how small our present development is compared to the possibilities ahead:

	Possible Installation H.P.	Present Installation H.P.
British Columbia	5,250,000	355,517
Alberta	1,540,000	33,067
Saskatchewan	1,415,000	......
Manitoba	7,500,000	162,025
Ontario	8,850,000	1,445,480
Quebec	15,150,000	1,116,398
New Brunswick	155,000	44,339
Nova Scotia	166,500	54,950
Prince Edward Island	6,000	2,239
Yukon and N. W. T.	285,000	13,199

This makes a total possible installation of about 42,000,000 h.p. as against installed power developments of 3,227,414 h.p.

By FLOYD S. CHALMERS,
Associate Editor, The Financial Post.

INVESTORS have found in Canadian water power securities a class of investment that has given consistently good returns. The record of the big electrical corporations of Canada has been as satisfying a record as is contained anywhere in the book of Canadian investment.

Roughly, there are two classes of such corporations. There are companies like the Laurentide Company, the Shawinigan Water and Power Company, the Ottawa and Hull Power Company, etc. These have only a few customers; they sell power in big blocks to exceptionally large industries, to street railway systems or to other electrical companies that distribute to the general public. These are the wholesalers of power. Some of them control subsidiary companies that are their customers. There are companies that not only develop the power but own big transmission lines and distribution systems in cities or towns. They retail power in small loads to hundreds of private and commercial customers. Such companies are Montreal Light, Heat and Power, the British Columbia Electric Company and many numerous others.

Companies Very Successful

It may be said of both classes of companies that they have been highly successful on the whole. Their securities have shown stability and earning power found in few classes of business enterprise. It is significant that where any of the companies have gone through periods of financial difficulty the trouble has usually been caused by investments in enterprises outside the field of water power development or electrical distribution.

Detailed inquiries made by the Dominion Water Power Branch, covering the last 10 years, show that only three failures to meet bond interest occurred during that time. All were during the war period, and the total amount involved was less than $132,000, or well under 3/100 of 1% of the average capital invested in the industry during that period.

Water powers are either developed as a public utility or almost entirely in conjunction with basic industries such as saw mills, pulp and paper manufacture, flour milling, mining, traction, etc. They are inherently investments, not speculations. The records of financial houses, rating experts and mercantile agencies show that in Canada the percentage of failure or bankruptcy is lower in water power developments than in any other business, not even excluding banks, railroads and municipalities.

Default Caused No Loss

Another investigator, H. C. Flood, of Nesbitt, Thomson & Co., discovered that: "The mortgage obligations of one branch of the utility companies, that is hydro-electric companies, have a record in Canada which may be envied even by our municipalities. There has been no default on the average obligations of any Canadian hydro-electric company of any moment with one exception, and that default was for two years, the interest being paid in 7% debentures, so that eventually the investor will not sustain any loss."

A recent investigator made a close examination of the record of investments in electrical development and distribution in Canada. He came to the final conclusion that Canadian water power companies had a record of consistently good results over a long series of years. This he found to be the case regardless of general business conditions and the ups and downs of national prosperity. He found that there were two essentials to success. Where these essentials were present that success had invariably been achieved in Canada. These essentials were:

> The exercise of good judgment as to local conditions of operations and a proper examination of the immediate and potential markets for power, and
>
> The presence of good management for the company after its financing and construction programmes had been completed.

Suitable Market Is Needed

The prime factor for success in water power development or electrical distribution is a suitable market for the power. A good market for power will turn a seemingly worthless water fall into a mine of revenue. As a matter of fact a waterfall is not worthless. A well located site is worth as much as $10 per h.p. of its power possibilities. A water fall provides no revenue. Put a power plant beside it and sell the power and the water fall begins to earn a revenue. It will pay many times the interest charges on the capital cost of construction. That is why it is often decided to issue bonds for water power developments up to the full cost of the dam and power house. The water fall and the power development together make the combination of the two immensely valuable. After all, in any enterprise earning power is the best measure of value.

Obviously the market for the power must be assured. If the power cannot easily be sold the whole development is useless. That is why there is unlikely to be any substantial development of many of Canada's mightiest waterfalls in the far north for many years to come.

Upon the size of the possible market and the purpose for which the power is required depends to a large extent the economic possibility of any individual development. If water power is developed in an area where there is cheap coal the development will have to be at a very low cost. But if the power is required in a distant mining area where there is a growing market for power and high fuel costs a very high cost development is warranted. In Northern Ontario, for instance, there are a number of power developments that have cost two or three times as much per horse power to develop as other projects elsewhere in Canada. But the nature of the market for the power gives ample justification for high cost of development.

A suitable market for power makes almost any expenditure justifiable. To-day, for instance, the International Paper Company is turning many of its paper developments in the United States into power plants. The company has come to the conclusion that in many cases the production of and sale of electricity is going to afford a better return on the investment than the production and sale of paper.

The question of the market is then important. Canada has such a large amount of available raw materials that many power developments have created their own market in the shape of factories that have been built simply to use up the power and to draw upon the sources of raw material. The big Shawinigan development at the beginning of the century was followed by the investment of many millions of dollars in pulp and paper companies that used up the available load.

The stability of water power and electrical investments can be further demonstrated by reference to the ratings given to Canadian water power undertakings by leading financial rating experts in the United States. A study was recently made of the stock and bond ratings so given in a standard United States financial book of reference, Moody's Analyses of Investments, to 15 of the leading Canadian water power companies and to the same number of the largest and best known public utility power undertakings in the United States. The result shows that Canadian water power securities are considered by United States rating experts to be substantially equal in safety to the securities of the largest and most established public utility companies in the United States.

Comparing Some Ratings

On the whole the record and the results of Canadian water power and electrical distribution companies has been as good as or better than the record of similar United States companies.

Here, for instance, are Moody's ratings on half a dozen representative American power companies and an equal number of Canadian companies.

United States Companies	
Consolidated Gas & Electric	Baa
Detroit Edison	Baa
Sr. California Edison	Baa
Pennsylvania Water & Power	Baa
Pacific Gas & Electric	Baa
Puget Sound Power	Caa
Canadian Companies	
Montreal L. H. & P.	A
Ottawa L. H. & P.	Baa
Shawinigan Water & Power	Baa
B. C. Electric	Ba
Laurentide Power	Ba
Dominion Power & Trans.	B

The average rating it will be seen, is about the same for the securities of the two countries. Moody's ratings run from Aaa for the safest and most stable investments down through Aa, A, Baa, Ba, B, Caa, Ca, C, Daa, Da to D which would represent practically worthless securities of no asset value and little possible earning power.

Canadian light and power bonds average very high in the ratings of Moody and other investment experts. Moody rates five issues of bonds of Montreal Light, Heat and Power at Aaa or Aa. He rates three Shawinigan issues Aa and one underlying bond issue of North Shore Power Company at Baa. He gives four issues of Dominion Power and Transmission Company a rating of Aa and a fifth a rating of A, while the preferred stock gets a Baa rating. Laurentide Power bonds get a rating of A. Two issues of British Columbia Electric are in the Aa class and two debenture issues in the Baa class while the two preferred stock issues are given Baa and the deferred ordinary shares Ba.

Prices Are Stable

A study of the range of prices of the stocks and bonds of and dividends paid by, the leading Canadian hydro-electric companies, as quoted on the Montreal Stock Exchange during the past 12 years, will convince any inquirer of the stability of the capital and the regularity of the dividends.

It is now generally realized that industrial precedence is to the countries what cheap and abundant power and financial authorities are agreed that power securities are second to none in stability and in security of dividends.

Haley Fiske president of the Metropolitan Life Insurance Company of New York, said in a recent address that his company already owned $18,000,000 in light and power securities, and that:—"In following out our principles of investments there should be a promising future for capital investments in light and power companies. . . I am here to advocate that these investments shall be studied by the management of life insurance companies."

The opening for such investments in Canada is large, their desirability needs only investigation to bring conviction, there is already actual competition to furnish the capital.

The amount now developed represents, including transmission and distribution, a capital investment of $687,000,000. It is estimated that within the next 10 years a further $300,000,000 will be required to meet the actual demands for power.

Canadians will provide much of this new capital. But Canada is yet young and a borrowing country. The capital of older countries, producing more than they consume and with surplus funds for investment, will be requisitioned.

Investors in the United States and in Great Britain and even in Continental countries will buy millions of dollars of Canadian power securities in the next few years.

Public Utility Securities Now Returning to Favor

Excellent Record of This Type of Investment Now Gaining Recognition—Question of Public Relations Now on Far More Satisfactory Basis—Some Points For Investors to Look For

AN EXCELLENT account of themselves has been given by the public utility securities. This has been the record in the United States and this statement can be applied with equal force to Canada. Some of the very strongest of Canadian corporations are operating in the field of public utility service; corporations that have given remarkable returns to investors. What investment anywhere has greater stability than Consumers Gas shares? What investment has returned greater profits to shareholders than Montreal "Power"? In what field of enterprise is there a more consistent record of success than in Canadian water power development.?

One reason for the success of public utility corporations as a whole has been the fact that such enterprises are key industries. They are the very heart of other industries and in fact of all community life. Development of water power makes possible development of industrial life on broader lines. The supply of electricity and gas to communities keeps their pulses beating. Street railways are essential enterprises. Telephones are indispensable.

Public Utilities as Monopolies

Most public utility corporations operate as monopolies, for experience has proven that well-regulated monopolies provide much better service than competing companies that are out to cut each other's throats. Public utilities once passed through a period of competition. There were rival gas companies tearing up streets; rival telephone companies doing the same and gangs of men from competing light companies fighting to get poles in new areas. Now most public utilities are monopolies regulated by agreements with the communities they serve; by provincial commissions; or by legislation. Public utilities may be monopolies, but they are monopolies created by the public for their own good.

Regulation of utilities is protection for the public but it must be admitted that sane regulation is for the good of the companies as well. It insures for them greater public goodwill and understanding; fairer rates and better operating conditions. Imposition of rates that do not provide reasonable return on capital investment is confiscation. There was a time in Canada when the public did not care much whether private investors lost through the confiscation of their properties or not; but to-day, with better relations in existence between the companies and the public they serve, the public utility corporation is assured of a square deal. And conversely with broad visioned men at the heads of the companies themselves the public is also assured of fair play.

Costs of Operation Are Down

Better public relations is not the only improvement that has taken place in the position of public utility investments during the past few years. Declining costs of operation have been in evidence and this has had two important effects; first to widen the margin of profit for the companies themselves and secondly to make unnecessary the incessant demands for higher rates that had stirred up public ire. Examples may be quoted to show how declining costs have entered into the improvement in the public utility situation. Canadian street railway systems had in 1920, when costs were probably at their peak, total revenues of $47,000,000 and total operating expenses of $37,000,000, a ratio of nearly 80 per cent. Two years later in 1922 they had total revenues of $49,600,000 but operating expenses had dropped below $36,000,000, a ratio of a little over 70 per cent. The Bell Telephone Company had in 1920 revenues of $16,500,000 and total telephone expenses of $16,300,000, a ratio of nearly 100 per cent. In 1923 it had revenues of $22,200,000 and telephone expenses of $18,000,000 or well under 85 per cent.

Public Utilities as Investment

Fundamentally most public utility investments meet the highest demands of sound investors. Briefly summarized, the familiar qualities that the average good investor is looking for are:

First, a security as absolute as human judgment can determine.

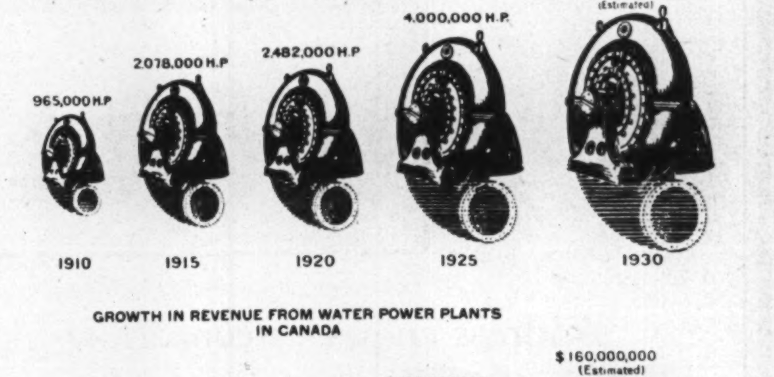
Second, the first being assured, then the security yielding the largest income, and

Third, availability so that in case of necessity the security may be disposed of without needless sacrifice.

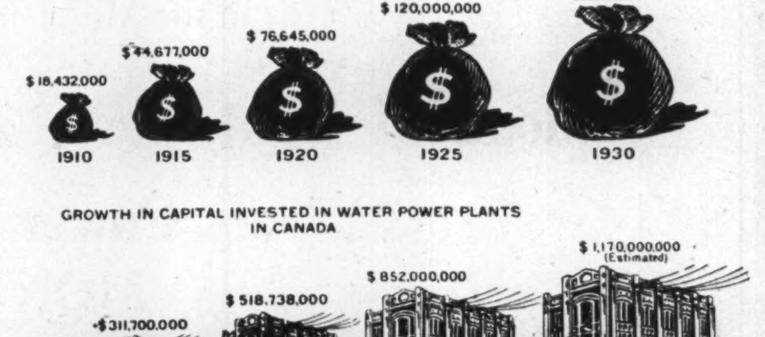
All of these qualities must be

(Continued on page 18)

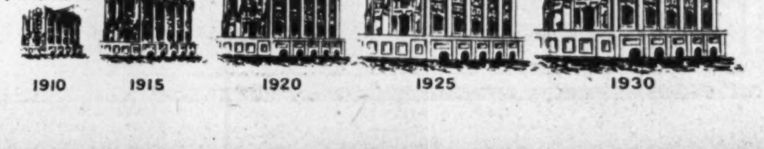
GROWTH IN TURBINE INSTALLATION IN WATER POWER PLANTS IN CANADA



GROWTH IN REVENUE FROM WATER POWER PLANTS IN CANADA



GROWTH IN CAPITAL INVESTED IN WATER POWER PLANTS IN CANADA



World Power Leaders Hear Canada's Story

Canada Playing Big Role at World Power Conference in London Early in July—Canada is a World Leader in Water Power Development

CANADA will enter into the first world power conference with a well-balanced series of papers dealing with her power problems and a thoroughly representative attendance of engineers and technical officers, well qualified to discuss with other nations all power and allied questions.

Regular readers of THE FINANCIAL POST will be interested to know that a copy of this issue is being handed to each delegate at the World Power Conference. The POST'S representative at the conference is W. A. Doner, a member of THE POST'S staff in Canada. In this manner the investment story of Canadian public utility and water-power development is being told the power leaders of the world, thoroughly and accurately.

Outside the investment field, Canada's power story will be fully told. Canada's representatives will be in a favored position, due primarily to the unique character of the country's power resources, both coal and hydro, and the remarkable manner and extent of their development. Not only have Canadians pioneered in many of the most important phases of power production, but have achieved the highest rate of power consumption per capita. Our water powers are now developed to the extent of three and one-quarter million horse power, and present indications point to a steadily increasing total year by year, which it is estimated will require in the next twenty years a further capital investment of at least $1,000,000,000. Much of this money will come from abroad. The World Power Conference will afford a timely opportunity to interest the British capitalist and the British manufacturer in the opportunities for investment and trade afforded by power development in Canada.

The programme of the First World Power Conference is the most extensive that has ever been attempted at a similar conference. Indeed, this conference is unique and without parallel. The transactions will represent the expert testimony and opinion of men of international importance, and leading authorities in their respective spheres.

Under the chairmanship of Dr. Charles Camsell, Deputy Minister of Mines, a representative Canadian Management Committee has had charge of the Dominion preparation for the conference. The papers have been prepared by recognized authorities, throughly conversant with the power problems of the Dominion. They consist of the following:

Water Powers of Canada: Their Nature, Extent and Administration.—A National Review by J. B. Challies, C.E., M.E.I.C., M.Am.Soc.C.E., Director and Chief Engineer, Dominion Water Power and Reclamation Service, Department of the Interior, Ottawa.

The Fuel Resources of Canada and Their Utilization for the Production of Power and Other Purposes.—By B. F. Haanel, B.Sc., M.E.I.C., Chief Engineer, Division of Fuel and Fuel Testing, Department of Mines, Ottawa.

The Generation of Hydro-Electric Power in Canada.—By H. G. Acres, D. Sc., M.E., M.E.I.C., M.Inst.C.E., M. Am. Soc.C.E., M.Am.Inst.E.E., Chief Hydraulic Engineer, Hydro-Electric Power Commission of Ontario.

The Transmission and Distribution of Electric Power in Canada.—By Julian C. Smith, E.E., LL.D., M.E.I.C., M.I.E.E., M.Am.Soc.C.E., F.A.I.E.E., vice-president and general manager, the Shawinigan Water and Power Company; and C. V. Christie, M.A., B.Sc., A.M.E.I.C., M.Am. Inst.E.E., Consulting Engineer, Associate Professor of Electrical Engineering McGill University.

Utilization of Power in Canada.—A symposium by various authorities prepared under the direction of P. T. Davies, A.M.I.E.E., President of the Canadian Electrical Association.

CANADIANS ARE WORLD'S BIGGEST ELECTRIC USERS

Power is Not the Boon of the Few in This Country

MOST HOMES WIRED

The Amount of Electricity Per Head of Population Utilized in Canada Leads the World

ELECTRICITY is not the boon of the few in Canada Giant transmission line poles rear themselves up in every section of the country. Electric lights are in every city home and the electric iron has replaced Mrs. Sadd's product in a great many of the farm homes. In Canada there is one consumer of electricity for every ten persons, which is exactly the same percentage as prevails in the United States with its closer knit population and its great industrial development. Every other home in Canada is wired for electricity. There are 1,768,000 dwellings in Canada, according to the last census. In 1922 there were 889,346 private consumers of electricity in addition to 164,000 commercial consumers.

We Use Much Electricity

Canada has cheaper electrical power than the United States because most of the power generated in this country comes from our water falls, while the majority of the electric power generated in the United States comes from steam plants, which are much more expensive to operate. It is not surprising then that Canada uses a great deal more power per head of population than the United States. There is an installation of about one horse power for each family in the United States. By the end of the present year there will be an installation of two horse power for each family in Canada.

Electricity is utilized more universally in British Columbia than in any other province. In that province, however, the largest part of the population is concentrated in a comparatively small area served by one private company. British Columbia has 14 private customers for every 100 of population. The other provinces follow in this order:

	Private Customers per 100 people
British Columbia	14.41
Ontario	12.06
Quebec	11.20
Manitoba	9.55
Alberta	7.84
Nova Scotia	5.58
New Brunswick	4.41
Saskatchewan	3.80
Prince Edward Island	3.12
All Canada	9.92

Cheap Power Draws Business

The three leading provinces have, of course, the cheapest power. Some idea of the comparative power costs can be obtained from the figures in the table which follows. This shows the average revenue per k.w.h. received by the generating stations during 1922. This does not represent the cost to the consumer but gives some comparative idea of charges:

	Cts. per k.w.h.
Ontario	.538
Quebec	.640
British Columbia	.749
Manitoba	1.141
Alberta	2.335
New Brunswick	3.490
Nova Scotia	3.836
Saskatchewan	4.411
Prince Edward Island	8.404
All Canada	.715

The extension of the use of electricity in Canada has been at a most rapid rate. For instance, in the two years from 1920 to 1922 the number of customers for power in Canada grew from 894,000 to 1,053,500.

Private and Public Ownership

There are more customers from the publicly owned electrical stations than from the privately owned—577,260 people having been buying power from public stations in 1922 and 476,285 from the private stations. But the private stations sold about four times as much electricity as the public ownership stations.

Of the 1,053,500 customers, there were 889,346 private homes. The number of dwellings in each province in 1921 and the number of private customers for the power companies in 1922 were as follows:

	Dwellings	Private Customers
P. E. I.	18,628	2,756
N. S.	102,807	29,457
N. B.	70,428	17,285
Quebec	398,384	264,724
Ont.	637,552	359,438
Man.	117,541	59,852
Sask.	163,661	29,894
Alta.	136,125	47,993
B. C.	123,003	77,660
Yukon	......	347
	1,768,129	889,346

Recently some figures were compiled of the comparative use of electricity in Canada and some other countries. Canada was shown to use more kilowatt hours of electricity in one year than any other country. The comparative figures follow:

	K.w.h Per Year
Canada	820
Switzerland	700
Norway	493
United States	472
Sweden	364
France	147
Germany	141

Public Utility Securities Now Returning to Favor

(Continued from page 17)

present in some degree in a good investment.

Public utilities securities fulfil in very large measure these three important demands. The factor of safety is provided by reasonable and fair arrangement of the financial structure to avoid top-heavy financing in the shape of too large issues of bonds and other senior securities that are mortgages on the properties involved. But it is not the knock down value of public utility assets that provides the essential margin of safety. It is that every dollar properly spent for the construction or installation of public utility equipment has an earning power as soon as the equipment is installed. Every new telephone put into service begins to pay its way at once; every new system of wiring in a home and every new line strung to a farm to provide "juice" for the farmer's automatic milker pays its interest charges and dividends from the time the capital is invested.

Return Is Fair Enough

Public utility securities have provided to an excellent degree the financial return required by the investor. The average rate of return on public utility bonds is lower than on industrials because of the higher quality of investment merit. On the other hand the yield is much better than can be obtained on railroad bonds or on government or municipal bonds.

Especially in the case of the junior securities of Canadian public utilities the returns to investors outside of actual dividends have been equally satisfying. One Canadian company over a term of twenty years has seen the market value of its stock enhance yearly an average of twice as much as the average annual dividend in that period. Other companies have given valuable rights for subscription to new stock at under the market. One company that gave a bonus of 100 per cent. of common stock with the issue of its bonds about six or seven years ago has the satisfaction of having that common stock on a dividend basis to-day and readily marketable at somewhere between 50 and par.

Ready Marketability Assured

On the question of availability of the funds invested, which is but another term for marketability, the record of public utility securities is decidedly better than that of industrials. Most of the Canadian public utility investments are listed on the exchanges. In the case of many not listed it has been the experience that individual companies have been closely associated with specific investment banking houses and syndicates which have created excellent markets for the securities they have sponsored. In this way the investor is benefiting by the continuous growth in the various lines of public utility enterprise in Canada, for the steady stream of new utility financing, especially in the water power field, has made it advisable—and commercially possible—for investment bankers to create and keep up good secondary markets for their issues until thoroughly digested by the investment public.

This growth has extended to all kinds of public utilities. Canadian street railways have been marking time since the end of the war but only because the pre-war expansion in Canadian street railways was too rapid for the rate of increase in the population. While there were only 700 miles of street railways in Canada in 1902 carrying 125,000,000 passengers per annum, there were in 1922 1,725 miles of street railways with 740,000,000 passengers. And the gross earnings of the traction companies rose from $6,000,000 per annum in 1902 to $50,000,000 in 1922.

The telephone companies have seen similar growth. At the beginning of the century Canada had 60,000 telephones. Now there are over a million, more than half of them directly on the system of the Bell Telephone Company.

Gas companies have seen no narrowing of their scope despite the rapid advance in electrical installations. In fact most Canadian gas systems are operated by companies that also distribute electrical energy, and the two systems are corollary.

The capital invested in water power developments in Canada has doubled in eight years and the power being generated has increased from a very small figure at the beginning of the century to nearly 3,500,000 horse power. Much of the power is distributed by electrical distribution systems that have doubled their sales of light and power every few years. So rapid has been the advance that only in the past few years has it been considered advisable to keep statistics of growth.

As to the merit of public utility bonds as investments, just one word: Standard commercial ratings show defaults of only 0.12 per cent., or $1,209,784, in utilities, against 7.53 per cent. or $77,735,531 in banks and 31.89 per cent., or $329,114,860, in railroads. This is the United States record.

Wheat Pools Make Progress Slowly

From Our Own Correspondent.

WINNIPEG.—The seeding season over, both the Manitoba and Saskatchewan wheat pools organizations are now busy in an effort to sign up sufficient acreage to complete their objectives. Both are within measurable distance of accomplishing their aims, but the initial appeal has already been made, and progress from now on may be slow. If sustained long enough the objectives will probably be reached, and thus a wheat pool will be functioning in all three prairie provinces.

The Manitoba pool has aimed to obtain signed contracts representing one million acres of wheat, and what is hoped to be the last phase of the campaign in this connection has been commenced.

The idea of a central selling agency to represent all of the western pools appears to have made considerable headway, and already the Manitoba organization is out strongly in favor of the scheme. The Saskatchewan pool leaders are also believed to be in line, and discussions on this point are being conducted with the Alberta pool heads.

Electrical Energy
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and
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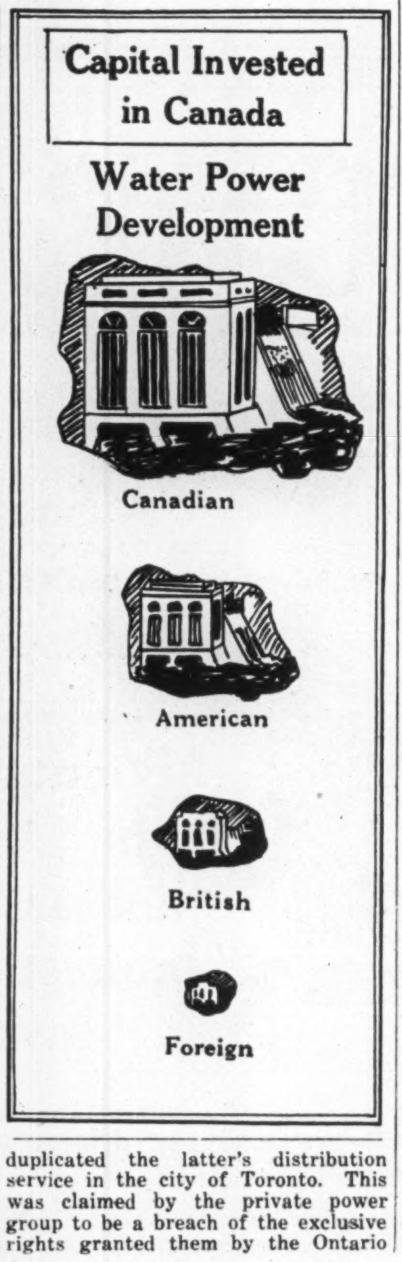
Canadians Own Bulk Of Power Investments

About 70 Per Cent. of Outstanding Securities of Canadian Power Companies Are Owned by Investors in This Country Despite Presence of Much Outside Capital

By FLOYD S. CHALMERS.



MORE than $700,000,000 has been invested in water power development in Canada. The securities of the companies operating what are known as central electric stations that produce power not for their own use in adjacent factories but for sale to industrial plants and municipalities, are outstanding to a total of about $450,000,000. This may be taken roughly as the private investment in water power development in the Dominion and the difference between the two figures would represent the capital invested in publicly owned plants and the capital invested in water power developments that have been built in connection with industrial plants, etc.

Great Britain has invested about $35,000,000 in Canadian water power development and the United States about $70,000,000. Few industries or businesses in Canada have been financed so largely with Canadian capital. But while Canadian capital has contributed most largely to the development of the water-power of Canada, it is because the biggest development in Canadian water powers has come in the past few years when the supply of British capital for Canada has been practically curtailed. Nevertheless, the story of British and American investment in our water power resources makes an interesting study.

Big Investments in Shawinigan

Among the more important power developments in Canada is that of the Shawinigan Water and Power on the St. Maurice River in the Province of Quebec. This company is now developing 410,000 h.p. and is at the present time proceeding with the development of an additional 150,000 h.p. of energy. This is one of the largest and most important water power developments in the world and has been facilitated by the investment of British, American and even French capital. The broad distribution of the ownership of its securities is illustrated by the fact that a recent offering of bonds of one of its subsidiaries was offered simultaneously in Canada, the United States, Great Britain and France. Before the war the company took advantage of a plentiful supply of cheap British funds to do a considerable amount of financing in Great Britain, but there has been a tendency following the war for much of its stock to return to this side of the Atlantic.

Shawinigan Water and Power is the central unit in a chain of power enterprises that are affiliated in various ways and which supply electrical energy to a large part of the province of Quebec, including the cities of Quebec and Montreal. It is a large shareholder in the Montreal Light, Heat and Power Consolidated, this company in turn developing important power sites on the St. Lawrence River. Montreal "Power" also has benefited from the investment of British and American capital.

Ontario's Policy Different

While Quebec has depended upon private initiative for the development of her water powers and has given every inducement to the capitalist to carry out such work, the sister province of Ontario has set its course along a different route and has developed nearly 1,000,000 h.p. of electrical energy with the backing of provincial and municipal credit. But even in Ontario, British and American capital, in some cases directed by Canadian promotors, was responsible for the original development of the vast water power resources of the mighty Niagara River. Power development in the province of Ontario is largely under public control now, but during the period when the public ownership power development of the province of Ontario was being built up around the resources of the Niagara River there was a great deal of bitter negotiation between the original owners of the power rights, who had spent many millions of dollars in power development and the leaders in the movement for a province-wide, province-owned power generating and distributing system.

The Early Power Plants

American capital built two power plants on the Canadian side at Niagara Falls, one of these the Canadian Niagara Power Company being controlled by Buffalo people who were also developing power on the American side of the river and who wanted the power chiefly for use on the American side. The Ontario Power Company was largely an American company as well. The Electrical Development Company was one of the chain of utility interests controlled by British capital and which was built up by the Toronto Power group, James Ross, Senator Frederick G. Nicholls, Sir Henry M. Pellatt, Sir William Mackenzie, Sir Donald Mann and their associates. The Electrical Development Company was the generating unit in the company; there was also a transmission line company and a distributing company for the city of Toronto and the same group were closely associated in the control of the Toronto Railway Company. The Toronto Railway Company in time became a holding company owning all of these enterprises.

When the Ontario government went into the power business it first bought the surplus power being generated by the Ontario Power Company. It built transmission lines to Toronto and other centres paralleling the lines of the privately-owned group and also duplicated the latter's distribution service in the city of Toronto. This was claimed by the private power group to be a breach of the exclusive rights granted them by the Ontario government. The case was long fought out, but the Ontario government rested its case upon its sovereign power and the Dominion government refused to interfere. For over a decade after this date—about 1909—there was constant warfare between the private interests and the publicly owned interests, the chapter finally being brought to a close by the purchase by the Ontario government and the city of Toronto of the various private enterprises. In this transaction the original investors in these companies recovered in the main their original investments.

Other Outside Investments

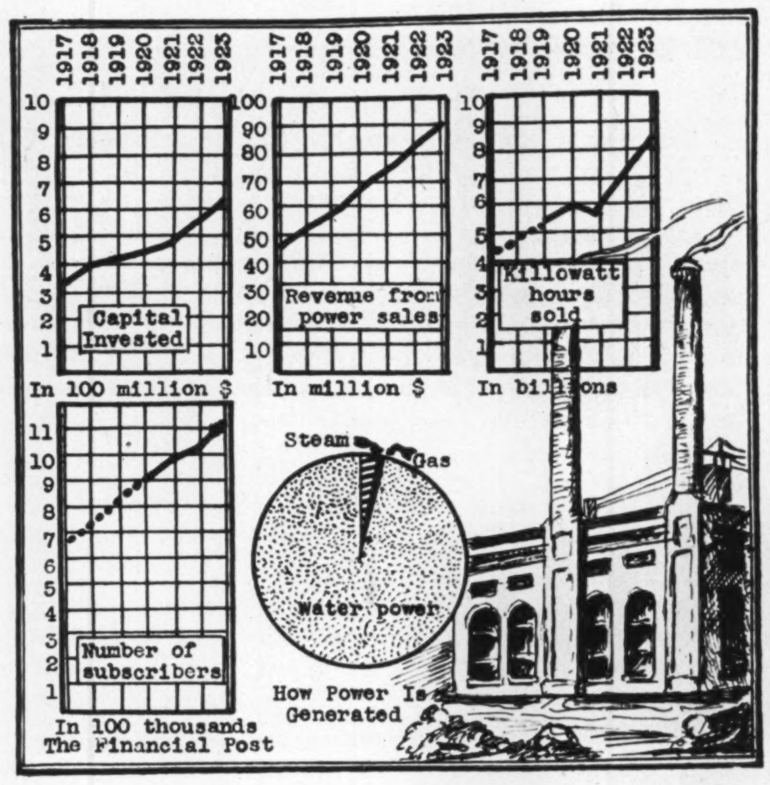
British and foreign capital has developed Canadian water powers elsewhere in Canada. In Manitoba, the Manitoba Power Company is proceeding with extensive developments, aided by United States and British capital; in Alberta the Calgary Power Company, largely under British control, has harnessed picturesque mountain rivers and in British Columbia the British Columbia Electric Railway and the Western Power Company, British corporations, have a number of interesting and important power plants. Smaller companies are operating in all the provinces.

There is now invested in the hydro-electric developments in Canada an amount well over $700,000,000. If the installation of water wheels continues at the same rate during the next fifteen years as it has in the last fifteen years, the amount of money invested will be in the neighborhood of $1,100,000,000.

Both publicly and privately owned hydro-electric organizations in this country have maintained and even increased their earning power during the past few years of unsettled business conditions, and the investing public has not been slow to notice this, with the result that further promotion of hydro-electric enterprises is being greatly aided by the public confidence gained.

The return to investors in water power investments in Canada have been higher and the position of the investments more stable than in any other important industry. The development has been in the hands of men of real vision and men who in most cases have felt their responsibilities to the public and to the investor. It is likely that during the next few years there will be an important and ever increasing flow of British and American money into Canadian water power development; this is likely to take the form of extensive investments in new developments and also in the acquisition by investors in the United States and the United Kingdom of many of the stocks and bonds now outstanding in Canadian water-power generating and distributing enterprises.

Big Power Stations of Canada Almost Entirely Dependent Upon Water Power



Unlike conditions in the United States and Great Britain, Canada's great central electric station industry is built upon water power. Central electric stations are those power plants which generate electrical energy, not for use in adjacent factories, but for sale to communities, to other plants, to homes, etc. Very little electric energy is developed in Canada by steam or gas, only 3 per cent. of the total in fact. Of the electrical energy produced in central stations, 97 per cent. is the product of harnessed water power. Great power plants consuming large quantities of coal to generate electricity are not a familiar sight in Canada and are for the most part "stand-by" plants only, called upon to furnish power in periods of emergency or at peak load hours.

The amount of money invested in central stations in Canada has grown rapidly and now stands at close to $700,000,000. The revenue and production also have shown large increases, and nearly all cities and hamlets, and many rural homes are now served by the genii of electricity. The chart above gives some conception of the growth of Canada's central station industry.

Of course, all industries and power users are not served by central electric stations. There are many factories that generate electrical energy in their own steam or water power plants. The pulp and paper companies, for instance, develop 500,000 h.p. of the 725,000 h.p. of electric power they use and other industries develop some 300,000 h.p. for themselves. And there are a great many industries and other power users that do not utilize electricity but develop power from coal, oil or gas. But taking the whole field of power utilized for all purposes in Canada, it is estimated that 70 per cent. of all primary power in Canada is water power. Probably no other country depends upon water to the same degree as does Canada.

It is a fortuitous circumstance that Canada has plentiful amounts of water power in those areas where coal, oil, gas and other fuels are lacking. Ontario, Manitoba and Quebec, for instance, which have no coal deposits, have large amounts of water power. In fact the development of water power constitutes the only real and large relief yet achieved to the fuel problem in the acute fuel area, and it is our water power resources and the low average cost of power therefrom that has made possible such rapid development of our manufacturing industries, that the net value of product of our factories is now greater than that of agriculture.

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HON. SIR LOMER GOUIN, K.C.M.G., M.P.
Director Bank of Montreal
Director The Montreal City & District Savings Bank
Director The Royal Trust Company
Director Laurentide Company

CHARLES R. HOSMER
President The Ogilvie Flour Mills Company
Director Bank of Montreal
Director Canadian Pacific Railway Company
Director Sun Life Assurance Company of Canada
Director Laurentide Company

WILMOT L. MATTHEWS
Director The Dominion Bank
Director Confederation Life Assurance Company
Director The Toronto General Trusts Corporation

FRED W. MOLSON
President The Molsons Bank
Director Canadian Pacific Railway Company
Director The Bell Telephone Company of Canada

LT.-COL. HERBERT MOLSON, C.M.G., M.C.
Director Bank of Montreal
Director The Royal Trust Company

SIR AUGUSTUS NANTON
Vice-President The Dominion Bank
Director Canadian Pacific Railway Company
Director The Ogilvie Flour Mills Company

EDSON L. PEASE
Vice-President The Royal Bank of Canada
Director Montreal Trust Company

W. N. TILLEY, K.C.
Director Canadian Pacific Railway Company

HON. J. M. WILSON
Director Banque d'Hochelaga
Director Montreal Tramways Company

The National City Company, Limited, through the extensive organizations of its affiliates, with offices throughout North and South America, Europe and the Far East, is in a position to place at the disposal of its clients an international investment service.

This service, with a financial background of the highest standing of over a century's duration, can, we believe, be of great benefit to investors on all questions dealing with the safeguarding of their investments.

Upon request we will be pleased to send you a copy of our booklet "Investment Securities" containing a selected list of high-grade Canadian, United States and Foreign securities, all of which bear our recommendation as sound investments.

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111 Mountain Hill

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One of the Few Water Companies Now Left

(Montreal Water & Power Company)

One of the few remaining privately owned water supply systems in Canada is owned by the Montreal Water and Power Company. This organization serves a part of Montreal as well as the cities of Westmount and Outremont on the island of Montreal. The company owns two reservoirs and some nearly 200 miles of mains. It serves more than 50,000 homes and buildings.

The company's franchises run to 1941 for the most part, but it is likely that the company will disappear some day and its system be absorbed by the city of Montreal.

Capitalization –

	Authorized	Outstanding
Common	$2,000,000	$ 280,000
Preferred	2,000,000	500,000

Funded Debt—

Prior lien bonds, 4½%, due 1932	4,803,400
First mortgage 5% bonds, due 1932	979,935

Dividend Record—

7% each paid on preferred and common stocks in 1922 and 1923 fiscal years.

Officers and Directors—

Edwin Hanson, president; F. W. Evans, vice-president; W. Hanson, A. F. Riddell, T. Bienvenue, F. H. Pitcher, general manager; Lt.-Col. E. G. Hanson, W. C. Shaw, secretary; W. H. Sutherland, asst. engineer and comptroller.

"Following Through"

ABOUT the first thing the "pro" told you when you were brushing up your golf was to "follow through." It is just as essential to "follow through" in marketing your product as in playing golf.

Your sales message must be taken not only to the one man whom your salesman sees in each company, but to the men who have the final say regarding the purchase of your product or your service. These are the men your salesman often cannot get to: the general manager, perhaps the president or the directors. To insure sales you must carry your selling message to these executives. You must "follow through."

This is especially true if the purchase of what you have to sell involves a change of policy; or the investment of a large amount. You can sell the plant superintendent on the virtues of your new type of engine, but you cannot close the sale unless you convince the directors. You can sell the treasurer a block of bonds but you must get the president's O.K. You can sell a business service to the office manager, but behind the office manager stands the general manager and you will not get the business until he has been convinced that your service is worth while.

You must follow through in advertising and selling; carry your message to the man who finally says "yes" or "no".

The men who read The Financial Post each week are the executives of business institutions and the men who make the final decision that determines the fate of your entire sales effort.

Sell the man who has the final say. Sell him by regular advertising in his paper--The Financial Post.

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HOPE FAIR RATES WILL BE ALLOWED

(Nova Scotia Tramways & Power Co.)

General business conditions in the territory served by the Nova Scotia Tramways & Power Company have been rather unsatisfactory. The company's affairs have been adversely affected as the result. Earnings for 1923 were lower than in the previous year.

In the tramways department there was a decrease of about 8 per cent. in earnings due to business conditions which affected this department to a much greater extent than any other department. The situation was aggravated by the increase of privately owned automobiles in competition with the street car lines.

In the light and power departments gross earnings increased somewhat last year and expenses have continued to decrease in a reasonably satisfactory manner. In the gas department there was also a small increase.

The company is now furnishing electric energy derived from water power. Formerly it developed electric power from steam but in 1922 power from the provincial government's hydro-electric development at St. Margaret's Bay was turned on and has since been utilized exclusively with the exception of one or two occasions when storm conditions interfered with the operation of the transmission lines from the hydro into the city.

In November, 1923, the Nova Scotia Board of Commissioners of Public Utilities handed down a decision fixing the value of the company's assets as at October 1, 1921. The valuation finally arrived at was something of a disappointment to shareholders being substantially lower than the cash invested for the company. Hearings are now being held in order to establish rate properly chargeable for the various classes of service and it is hoped the company will be able to establish such rates as will enable it to attract capital for the extensions that are required from time to time.

Capitalization—

	Authorized	Outstanding
Common	$3,500,000	$2,510,000
Preferred 6%	2,500,000	2,078,800

Funded Debt—

First mortgage, 5% 30-yr. bonds, due 1946....	2,250,000
General mortgage bonds 30-yr., 7%, due 1952......	1,500,000

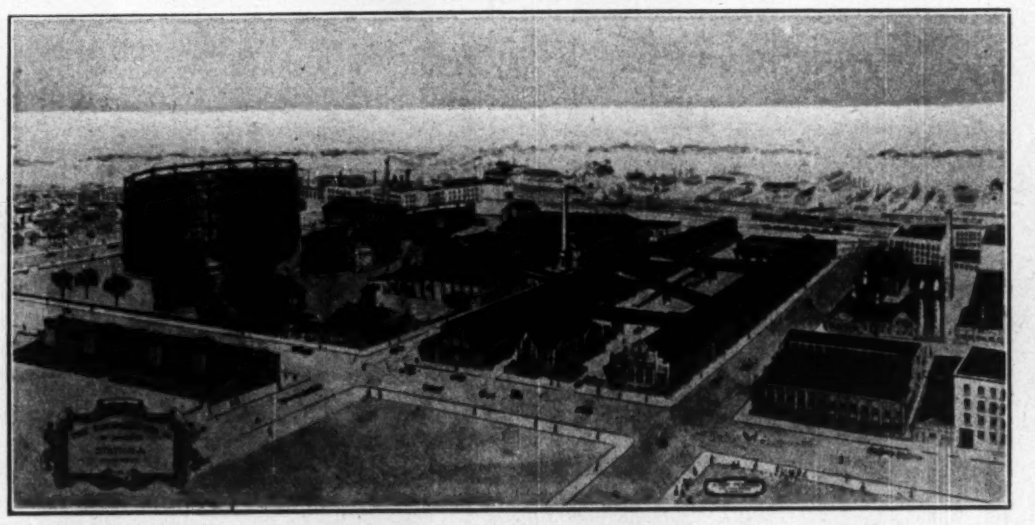
Dividend Record—
3% paid July 1917, July, 1918, Jan. and July 1919. Jan. 1920 and subsequent dividends deferred.

Profit and Loss	1919	1920	1921	1922	1923
Gross earnings	$1,258,502	$1,461,039	$1,446,639	$1,419,471	$1,393,980
Oper. exp. and taxes	1,046,992	1,373,409	1,265,001	1,098,785	1,076,282
Net earnings	$ 211,510	$ 87,630	$ 181,638	$ 320,686	$ 317,698
Interest and Amortiz.	144,619	202,526	204,781	207,648	218,034
Pref. dividends	62,364	......	......	......	......
Surplus	$ 4,527	*$ 114,896	*$ 23,143	$ 113,038	$ 99,663

Officers and Directors—
A. Stuart Pratt, president; W. H. Covert, K.C., vice-president; Alex. J. McAllister, H. E. Mahon, H. H Hunt, W. C. Pitfield, W. B. Milner, G. MacGregor Mitchell, Stone & Webster, Inc., general manager; W. L. Weston, manager; V. D. Vickey, secretary; J. R. Blackett, treasurer.

CONSUMERS' GAS COMPANY of TORONTO

The Steady Development of this industry results in benefits to the Consumer that are assured by ample safeguards



Station A—Front Street East

A Sound and Economic Industry Gives Service at a Minimum Cost to the Consumer and assures the Interests of the Investor

A Sound and Worthy History

THE Consumers' Gas Company of Toronto has a long record of successful operation, dating back to 1848, when the company was incorporated by Special Act of the Ontario Legislature, with an uninterrupted service to the present time.

During that time the original service for which the company was incorporated, to supply gas for illuminating purposes, has become very largely a thing of the past. But the company has reached out into a larger field, into its use for domestic cooking purposes, and in the past ten years into the industrial field, a development that has been growing steadily until it is now a very important factor.

It is inherent in the nature of such an organization that it should be largely a monopoly. Only so could the business be maintained economically. The cost of service equipment would be a prohibitive factor if there was an overlapping competitive service.

A Public Service, Privately Operated, Publicly Supervised, The Consumers' Gas Company, then, has stood somewhere between a public and a private service. It is a private undertaking with all the interested initiative and enthusiasm that goes with private enterprise. But so intimately does this service affect the public that its franchise fully covered and safeguarded the public interest.

Adequate Income Essential

That the company must make certain profits is obvious, both in the interests of its shareholders and the public. If it could not do so, then the service would have to be discontinued to the manifest hardship of the consumer. It must not, on the other hand, make too great a profit, for that would mean that the consumer was paying more for this service than he should reasonably be asked to pay.

The Investor's Protection

The charter therefore safeguards both these points. The dividend payable is fixed by statute at 10 per cent. The statute also provides that there shall be set aside out of earnings a renewal fund that shall be five per cent. of the value at which the plant and buildings, in use by the company stand on the books at the end of the fiscal year. All ordinary repairs and renewals are chargeable against this fund, which insures a protected investment for the shareholder and a first class service to the consumer.

It is also provided that all premium realized in the sale of capital stock shall go to the credit of a Reserve Fund. If in any year the income falls below the amount necessary for the payment of dividend and the proper maintenance of operations, this fund may be called upon to make up the deficiency. The company may then increase the rate charged for gas to yield a sufficient revenue to repay this reserve fund and to provide for the regular dividend. In this way the interests of the company and its shareholders are safeguarded.

The Public Has Ample Protection

There is a similar protection for the consumer. If, in any year, the net profits of the company exceed the amount required to pay the dividend, maintain the Reserve and the Renewal Funds and pay directors' fees, the surplus must be credited to a Special Surplus account applicable to a reduction in price, when the amount equals 5 cents per thousand cubic feet on the quantity of gas sold during the preceding year. A double assurance is given to the citizens that this term will be adhered to rigidly. The mayor of the City is, ex officio, a director of the company, and has the right to appoint an auditor to represent the city's interests in checking over the accounts, and such auditor has access to all necessary documents.

An Advantageous System

This system has manifestly worked in the interests of the consumer. It has never been necessary to enforce this provision. The company has of its own volition reduced rates before this condition compelled them to do so. The company has maintained a wholly adequate and satisfactory service. This service is steadily growing, and its steady growth accrues to the advantage of the citizens in a reduced rate, while the investor is assured of a steady return on his investment.

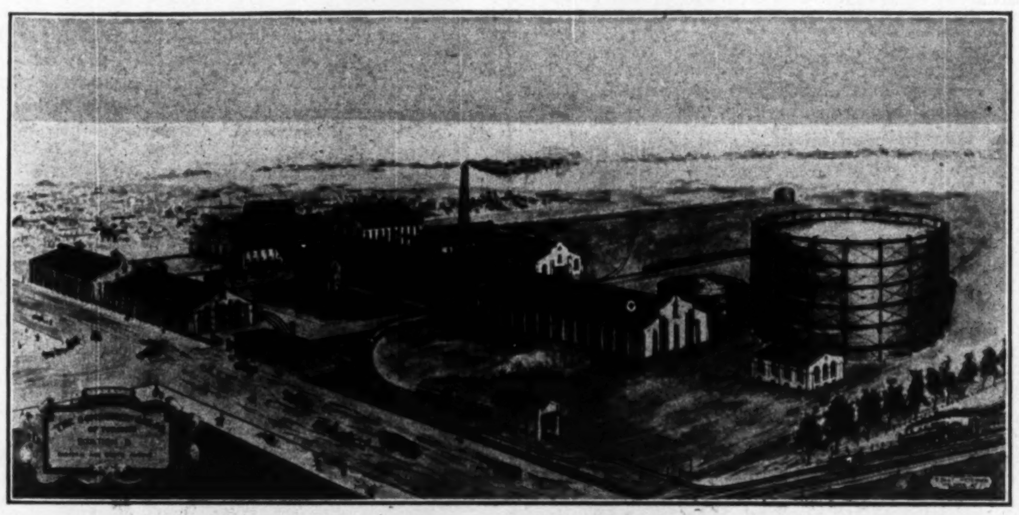
Altogether the system that combines the advantages of both public and private ownership has been proven to be in the best interests of the public, who secure gas at a lower rate than in any other city of its size on the continent. While an uninterrupted dividend record of seventy-two years, during fifty-seven of which the rate has been 10 per cent., indicates its satisfactory position as an investment.

The Plant and Properties of the Company

The plant of the company is divided into three units. Station A comprises an area of 10 acres of very valuable property, close to the heart of the city.

This plant has a manufacturing capacity of 10,000,000 cubic feet of gas per day. Station B covers a property of 32 acres. On this property is erected one of the most modern and highly efficient gas works on the continent, with a daily capacity of 12,000,000 cubic feet. Station C is a holder station for supplying the western and northern sections of the city.

In addition the company has valuable properties in the heart of the city for office, retail sales and repair work.



Station B—Eastern and Booth Avenues

Directors of The Company

A. W. AUSTIN, President
A. H. CAMPBELL,
L. GOLDMAN
WELLINGTON FRANCIS, K.C., Vice-President
F. LeM. GRASETT, M.D.
LIEUT.-COL. J. F. MICHIE
W. MULOCK, K.C.
F. G. OSLER
T. H. WOOD
HIS WORSHIP THE MAYOR
ARTHUR HEWITT, General Manager
JOHN J. ARMSTRONG, Secretary

SHAWINIGAN—Expanding Into New Fields

So broad has become the scope of activities of the Shawinigan Water and Power Company, that the president, Julian C. Smith, found it advisable to incorporate in his last annual report a thorough survey of the company's field of service.

The Shawinigan company itself owns directly a power plant at Shawinigan Falls that develops 260,000 h.p. of electrical and hydraulic energy. It also owns transmission lines radiating from the falls to Montreal, to the Eastern Townships, to the asbestos mining districts, to New England, etc. It owns outright a group of manufacturing and power distributing plants; it controls others and has interests less than a controlling interest in other important companies. It is Canada's most important power organization at the present time.

The subsidiary companies may be divided into two groups as regards ownership:

First: The group wholly owned;

Second: The group controlled but not wholly owned.

The group of companies wholly owned consists of the following:

Canada Carbide Company, Limited.
Canadian Electro Products Company, Limited.
The Shawinigan Engineering Company, Limited.
North Shore Power Company.
Electric Service Corporation.
Laval Electric Company.
The Continental Heat & Light Company.
The Arthabaska Water and Power Company.

In the second group are the following:

Quebec Power Company.
St. Maurice Power Company, Limited.
The Three Rivers Traction Company.

In addition Shawinigan is one of the largest shareholders of Montreal Light, Heat and Power Consolidated, and it owns an important interest in the Laurentide Power Company.

The two manufacturing companies, Canada Carbide Company, Limited and Canadian Electro Products Company, Limited, are located at Shawinigan Falls, producing calcium carbide and acetic acid respectively. These two companies are closely related in that one uses the product of the other as raw material. The Canada Carbide Company Limited was started originally as a power customer of the company, and has for many years taken and paid for a large amount of power.

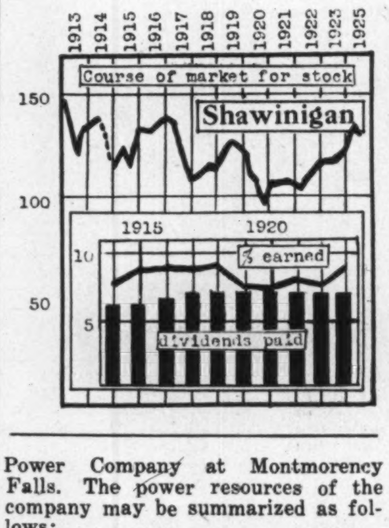
The Shawinigan Engineering Company is the engineering and construction department of the company, and was organized as a separate company principally for accounting reasons.

The various subsidiary electric light and power companies owned are important adjuncts, and actually are operated as departments of the company attending to the retail distribution of light and power in more than 125 cities and towns.

The Three Rivers Traction Company operates a street railway in Three Rivers. The company is a good customer for power, and makes a profit over and above its expenses fixed charges and depreciation.

The other two companies controlled, the Quebec Power Company and the St. Maurice Power Company are dealt with separately because each has a distinct investment interest in itself.

Shawinigan is one of the world's largest hydro-electric organizations at the present time, but it is still growing. It has now power resources of 497,500 h.p. in addition to the energy developed by the Quebec Power Company at Montmorency Falls. The power resources of the company may be summarized as follows:



Development at Shawinigan Falls, including hydraulic power, 260,000 h.p.

Laurentide power contract, 87,500 h.p.

La Gabelle power development, 150,000 h.p.

Total, 497,500 h.p.

A possible future development of about 150,000 h.p. can be made in the above powers. In addition to these, there are some small water powers belonging to subsidiary companies.

The yield on the stock at present prices is not very high, but the prospects for profit for the investor are excellent. Shawinigan has many points to go before it reaches the high level of over 150 reached in 1912, when the dividend rate was only five per cent. The dividend rate of seven per cent. has been unchanged since 1916 and is not likely to be increased until the full benefits of the enlarged installation of the past few years are realized. But with the present dividend rate assured investors can afford to wait for the larger things that are in store.

Capitalization—

	Authorized	Outstanding
Capital stock	$40,000,000	$20,000,000

Funded Debt—

Consolidated mortgage 5 per cent. bonds due 1st July, 1934, redeemable at 110, interest payable 1st January and July, $3,808,500. Refunding mortgage sinking fund 5½ per cent. bonds due 1st January, 1950, interest payable 1st June and December, $6,000,000; first refunding mortgage sinking fund 6 per cent. bonds, series "B" $5,174,000; first refunding mortgage sinking fund 6 per cent. bonds, series "C," due 1st July, 1950, interest payable 1st January and 1st July, $4,371,000.

Dividend Record—

Year.	Per cent.	Year.	Per cent.
1907	2	1916	7
1908-09	4	1917	7
1910	4	1918	7
1911	5	1919	7
1912	5¼	1920	7
1913	6	1921	7
1914	6	1922	7
1915	6½	1923	7

Officers and Directors—

J. E. Aldred, president; H. Murray, O.B.E., and J. C. Smith, vice-presidents; M. J. Curran; H. J. Fuller; Sir Lomer Gouin; Sir Herbert S. Holt; R. W. Kelley; Col. G. P. Murphy, C.M.G.; W. S. Hart, treasurer; G. W. McDougall, K.C.; Beaudry Leman, Jas. Wilson, secretary.

Market Record—

Year	High	Low	Year	High	Low
1912	154¾	122	1918	118½	107
1913	149	119	1919	127½	114½
1914	142¾	111	1920	119½	97½
1915	139⅞	110	1921	109½	100
1916	137	126¾	1922	116¾	102½
1917	131	107	1923	123½	112

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross. earn.	$ 3,621,074	$ 3,727,045	$ 3,943,359	$ 4,224,046	$ 4,629,642	$ 5,110,539
Oper. exp. taxes	1,286,021	1,296,187	1,417,815	1,385,051	1,676,581	1,939,646
Net. earn.	$ 2,335,053	$ 2,430,858	$ 2,525,544	$ 2,838,995	$ 2,953,061	$ 3,170,893
Interest	824,959	657,115	716,501	1,048,182	1,155,778	1,189,333
Dividends	1,077,528	1,240,903	1,400,000	1,400,000	1,400,000	1,400,000
xReserve	445,000	520,000	400,000	275,000	275,000	425,000
Surplus	†$ 12,434	$ 12,840	$ 9,043	$ 115,813	$ 122,283	$ 156,563
Rate % earned	......	7.47	7.29	7.92	7.86	9.%

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x—Includes reserves and sinking funds, contingent fund and depreciation reserve, and reserve for income tax, etc.

†—Deficit.

CLEANING UP POWER SITUATION AT QUEBEC

Union of Quebec Railway and Public Service Corporation Has Been Effected

(Quebec Power Company)

In the Quebec Power Company, a Shawinigan subsidiary, are united two important power enterprises that were formerly competitors in the city of Quebec.

The two companies that are now consolidated in the Quebec Power Company are:

The Public Utilities Corporation of Quebec, formed by Shawinigan to market power to consumers in Quebec City and district.

The Quebec Railway, Light, Heat and Power Company, operating street railway, light, power and gas franchises in Quebec.

The consolidation of the two interests was brought about by changing the name of the first company to the Quebec Power Company and having it acquire, by exchange of shares, most of the stock and income bonds of Quebec Railway. Thus Quebec Railway still exists as a separate company, but the properties are physically united and are under central management.

Already the conditions in these Quebec companies show marked improvement as the result of the new management. By combining the organization of the two companies economies have been effected. Further improvements to the Quebec system are being made and favorable results are anticipated.

Up to the present time the electric power and lighting business in the District of Quebec has been divided between the two competing companies. Notwithstanding this competition, the business has shown substantial growth. Under the consolidated control of Quebec Power Company, having adequate resources of power supply, it is confidently expected that the business will show steady advancement.

Quebec Power Company and the companies so controlled are now the only companies distributing power for lighting and other industrial purposes in the City of Quebec and the surrounding industrial district, including the adjacent towns of Limoilou Charlesburg and Levis.

The companies so controlled operate a gas production and distribution service in the City of Quebec with a capacity of 1,000,000 cubic feet of gas per day; they operate a street railway in Quebec City and suburbs and an electrically equipped railroad from Quebec to St. Joachim, connecting with the Quebec & Saguenay division of the Canadian National Railways.

The population of the territory served in this district is approximately 225,000.

Capitalization—

	Outstanding
Common stock	$3,818,500
Preferred 7% cumulative...	2,209,640
1st mortgage sinking fund 6% gold bonds	3,540,000
Debenture 6% stock £300,000	1,460,000

Dividend Record—

Preferred 7% per annum, payable 15 Jan., April, July and October. Common, none.

Profit and Loss Account—

Year ended December 31, 1923.

Gross income		$ 544,090
Oper. and main. exp.	$238,296	
Interest, general	50,747	
Bonds and deben.	50,156	
		339,200
		$204,890
Less depreciation		24,000
Net revenue		$180,890
Deduct—Dividends—		
On public service corp. of Quebec stk. to June 30, 1923	$40,000	
On pref. stock to Dec. 31, 1923	76,494	
		$116,494
Surplus for year		$ 64,395
Add—		
Surpluses and adjustments from previous years		96,961
		$161,357
Distributed as under—		
Dividend of 10% on Public Service Corp. of Quebec stock paid in preferred stock	$160,000	
Surplus	1,357	
		$161,357

Officers and Directors—

Julian C. Smith, pres.; Howard Murray, vice-pres.; W. S. Hart, treas.; Jas. Wilson, sec.; J. E. Aldred, C. H. Branchaud, J. H. Fortier, Dr. Milton L. Hersey, Jas. M. McCarthy, Hon. P. J. Paradis, Geo. Parent, M.P., J. T. Ross, C. E. Taschereau.

QUEBEC POWER CONTROLS QUEBEC RAILWAY, LIGHT, HEAT AND POWER CO., LTD.

Capitalization—

	Authorized	Outstanding
Capital stock	$10,000,000	$9,999,500

Par value $100.

Consolidated 5% gold bonds, due Dec. 1, 1939. Redeem. by drawing, or upon six months' notice at 105 on any int. date. Int. pay. 1st June and Dec., $6,589,000. 30-year income 5% bonds, due 1st Sept., 1951, $3,323,634.

Subsidiary companies bonds, $3,411.000.

Dividend Record—

None since 1912.

Properties—

Operates street railway system in Quebec and surrounding country; also elctric light and gas plants. Controls six subsidiary companies.

Profit and Loss Account—

Year ending December 31, 1922.

Net income	$847,792
Fixed charges, taxes, etc. ..	761,691
Balance	$ 86,101

Officers and Directors—

Julian C. Smith, pres.; Howard Murray, vice-pres.; W. S. Hart, treas.; Jas. Wilson, sec.; Arthur Le Moine, asst. sec.; C. E. Taschereau, J. H. Fortier, Jas. McCarthy, Hon. D. O. L'Esperance, Hon. L. C. Webster, Hon. J. P. B. Casgrain, C. G. Greenshields, K.C., Hon. A. Turgeon.

ST. MAURICE POWER STARTS PRODUCING

Important Subsidiary of Shawinigan Getting Power Plant in Action

(St. Maurice Power Company)

St. Maurice Power Company, controlled by Shawinigan Water and Power Company, was formed to develop the water power resources of a site at Gres Falls, in the St. Maurice River. A separate company had to be organized because Shawinigan did not control the site outright.

In 1916 the Shawinigan Water & Power Company acquired the ownership of the Gres Falls by purchase from the Union Bag and Paper Company. This falls has a head of 45 feet and the original intention of the company was to develop this alone.

In the meantime the International Paper Company, through its subsidiary, St. Maurice Lumber Company, had acquired two rapids immediately below Gres Falls, viz.: La Gabelle and Des Forges, having a total head of 30 feet. Negotiations were carried on with the International Paper Company, and as a result it was agreed to consolidate the interests of the two companies and to make one power development. Out of this arrangement arose the St Maurice Power Company, which is now controlled by Shawinigan through stock ownership.

The company's original development called for 120,000 h.p., and the power is being sold to the Shawinigan. The ultimate capacity will be 150,000 h.p.

It is interesting that owing to the low cost of the development the bonded debt works out at only $83 per horse power.

Capitalization—

	Authorized	Outstanding
Capital stock	$8,000,000	$7,200,000

Funded Debt—

6½% bonds due February 1, 1953. Interest payable Feb. 1 and Aug. 1, in Canada or New York, $9,026,600; 6½% sterling debenture stock, £200,000.

Officers and Directors—

J. E. Aldred, chairman of the board; Julian C. Smith, president; Howard Murray, vice-president; W. S. Hart, treasurer; Jas. Wilson, secretary; Sir Herbert S. Holt, Sir Lomer Gouin, K.C.M.G., Gordon W. MacDougall, K.C.

Mining Area of Ontario Field for Great Northern

(Great Northern Power Company)

The tremendous growth of mining activities in Northern Ontario has created an equally great increase in the demand for power. One of the companies that has stepped into the field to develop and distribute power is the Great Northern Power Company which has completed an instalation of 4,500 h.p. on a Montreal river between Matachawan and Elk Lake. The company has leases on sites capable of developing 25,000 h.p., all of them within easy transmission distances of the most important mining camps in Northern Ontario.

It is one factor of strength in the case of the Northern Ontario power companies that they have no difficulty in getting an adequate rate for the power they develop. The cost of power generated by steam runs from $300 to $500 per h.p. per year. So that even very expensive electrical developments can be made to show a very profitable return.

Capitalization—

Authorized	Outstanding
$2,000,000	$2,000,000

Funded Debt—

First sinking fund gold 7 per cent., due 1937, $840,000.

Dividend Record—

None.

Officers and Directors—

Robert E. Fennell, president; W. J. Westaway, 1st vice-president; Robert Starke, 2nd vice-president; J. M. Robertson, P. A. Thomson, H. W. Sutcliffe, D. W. F. Caldwell, R. E. Evans, secretary and treasurer, H. H. Sutherland, general manager, R. L. Johnston.

Newfoundland Power Control Has Changed

(Newfoundland Light and Power Company)

During the past year control of Newfoundland Light and Power Company has passed to Canada, interests associated with the Royal Securities Corporation having acquired and re-financed the organization.

The company took over the business of the St. John's Light and Power Company which produces electrical energy and distributes it in Newfoundland's capital. The city is solidly built and has a population of about 38,000. It is the financial and business centre of the country, and should benefit substantially through the extensive development of natural resources which is now taking place in Newfoundland. There should be a consistent increase in consumption of light and power in St. John's, which can be supplied, as required, by the further development of the company's water-power resources, with a resulting steady increase in earnings from year to year.

Capitalization—

Common Shares	$1,500,000
7% Mortgage Debs., due 1949	500,000
6½% 1st Mort. Bonds, Series "A," due 1949	1,000,000

An additional $250,000 6½% First Mortgage Bonds, Series "A," and $500,000 Mortgage Debentures, held in the Treasury, may be issued as required for the general purposes of the Company.

Earnings—

Earnings from the properties, after deducting operating expenses and maintenance charges, for the fiscal year ended June 30, 1923, were $163,384, equivalent, after deducting interest on $1,000,000 First Mortgage Bonds, to over 2¾ times the annual interest requirement of $35,000 on $500,000 Mortgage Debentures. For eight years, 1916 to 1923, inclusive, net earnings averaged $151,116.

WOULD DEVELOP POWER IN BIG PARK

Calgary Power Company Seeks Authority to Enlarge Output

(Calgary Power Company)

For some time past the Calgary Power Company has been endeavoring to get permission to develop more power on the upper Bow River and the Spray. The site of the development would be within the Rocky Mountain National Park and the park authorities have opposed the development on the ground that the scenic attractions of the park would be affected. However, it seems likely that the company will get what it wants in time.

At the present time the Calgary Power Company has two interesting developments on the Bow River. It supplies all of its power output to the city of Calgary, which owns a distribution system. Last year, the contract with the city of Calgary was renewed and has about 6½ years yet to run.

Earnings have shown an increase, as the city of Calgary has taken more power.

Capitalization—

Authorized	Outstanding
$3,000,000	$1,900,000

Funded Debt—

First sinking fund gold 5 per cent., due 1940, $2,909,780.

Dividend Record—

None.

Officers and Directors—

V. M. Drury, president; E. R. Wood, A. E. Cross, R. B. Bennett, J. W. Killam, H. A. Lovett.

Market Record—

	Common	
	High	Low
1918	30	27
1919	30	22¾
1920	22½	15
1921	6¾	1
1922	7½	5
1923	15½	4
1924 (to date)	22¾	55½

1923 and 1924 quotations from London, as there has been no dealing in Montreal.

Profit and Loss

	1918	1919	1920	1921	1922	1923
Gross earnings ...	$275,864	$296,564	$291,041	$303,724	$306,807	$333,414
Oper. exp.	43,383	54,249	54,923	64,684	61,978	67,338
Net earnings	$232,481	$242,315	$236,119	$239,040	$244,829	$266,076
Interest	149,991	152,586	177,760	164,687	150,052	146,471
Surplus	$ 82,490	$ 89,729	$ 58,359	$ 74,353	$ 94,777	$119,606

THE
ANNUAL FINANCIAL
REVIEW
(*Canadian*)

A carefully revised summary of facts regarding securities listed on the Montreal and Toronto Stock Exchanges, and of other prominent Canadian companies.

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E144

SOUTHERN CANADA — Boosting Customer Ownership

Operating in the rich Eastern Townships of the Province of Quebec, Southern Canada Power Company is rapidly developing along sound lines. Its securities have achieved an excellent measure of public recognition and have held their own in competition with those of older and more seasoned companies.

Just now Southern Canada Power is developing an additional 30,000 h.p. at Hemmings Falls on the St. Francis River. This development has been financed and will be in operation within a few months. It will provide much new power for sale to meet increasing demands for service. A block of 10,000 h.p. from this development has already been sold at wholesale to Shawinigan Water and Power Company.

The properties of the company on the completion of the development work being carried on, will consist of hydro-electric plants having a developed capacity of 50,000 h.p. and undeveloped power, capable of about 100,000 h.p.

The territory in which Southern Canada Power operates has grown very rapidly, and being just north of the American Border, and within a few hours' journey from the New England States, is a very convenient location for the establishment of branch factories of U.S. concerns.

The company has led the way in customer and employee ownership. It has thousands of shareholders among its customers and most of the employees own stock.

Securities of the Southern Canada Power Company are rapidly gaining a strong investment position as they become more seasoned.

The good showing of Southern Canada Power common stock since it was listed on the Montreal Stock Exchange demonstrates the growing public interest in the securities of this company. The common stock touched a new high lately, and at the present price it is hard to believe that about seven or eight years ago some of this common stock was given as 100 per cent. bonus with a bond issue of the company. The preferred stock is not listed but holds at a level that puts it in a class with securities of older and much larger companies. This is because the company has been so widely sold to investors in the area where it operates that a good market always exists for the shares when any are offered. Distribution of both preferred and common is continuously widening and is a factor of strength in the securities

The growth in the number of customers connected to the company's systems has been as follows: 1914 2.260; 1915, 2.608; 1916, 3 270; 1917, 7,002; 1918, 8,063; 1919, 9 002; 1920 10,557; 1921, 12,240; 1922, 13.249; 1923, 15,066.

Capitalization—

	Authorized	Outstanding
Common shares	100,000	50,0000
Pfd. 6% shares	$5,000,000	$2,500,000
Funded Debt—		
First and refund gold 6% due 1948	$5,000,000	$4,637,500

Dividend Record—

Initial quarterly dividend of 1½% on preferred was paid April 15, 1920, which rate has been maintained to date. On common $1.00 was paid Nov. 15, 1923.

Officers and Directors—

W. C. Hawkins, president; J. B. Woodyatt, vice-president and general manager; W. K. Baldwin, M.P., Harry Sifton, James Davidson, J. S. Gillies, W. H. Miner; Lieut.-Col. J. R. Moodie, A. J. Nesbitt, Gerge Parent, K.C., C E. Read, J. M. Robertson, L C. Haskell, secretary.

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross earn.	$ 485,528	$ 573,073	$ 689,742	$ 753,959	$ 843,565	$ 953,970
Pur. power	78,774	93,941	77,901	78,685	85,406	111,128
Operation	189,421	204,850	271,761	215,067	216,075	222,702
Taxes	6,815	10,989	15,613	15,752	24,547	28,955
Maintenance	....	....	....	65,405	59,635	59,956
	275,010	309,780	365,275	374,909	385,663	422,741
Net earn.	$ 210,517	$ 263.293	$ 324,467	$ 379,050	$ 457,902	$ 531,229
Bad debts, etc.	2.178	1,114	692	429	985	3,117
Interest	160,181	204,115	252,118	287,886	306,847	275,057
Surplus	$ 48,157	$ 58,064	$ 71,657	$ 90,735	$ 150,069	$ 253,055
Prev. surplus	101,047	149.204	207,268	265,898	338,353	58,511
	$ 149,204	$ 207,268	$ 278,925	$ 356,633	$ 488,422	$ 311,566
Pref. dividends	....	....	13,027	18,280	19,911	82,160
Deprec. reserves	....	....	....	....	410,000	102,000
Surplus	$ 149,204	$ 207,268	$ 265,898	$ 338,353	$ 58,511	$ 127,406
*Rate of earnings on common	$0.93	$1.02	$1.35	$1.79	$3.16	$4.00

MONTREAL TRAMWAYS Offers Two Good Issues

Because of the ingenious contract between the city of Montreal and the Montreal Tramways Company, debenture holders and shareholders of the company consider their dividends as practically guaranteed. This gives Montreal Tramways an investment rating that makes its securities stand out as of high calibre for those with money to invest.

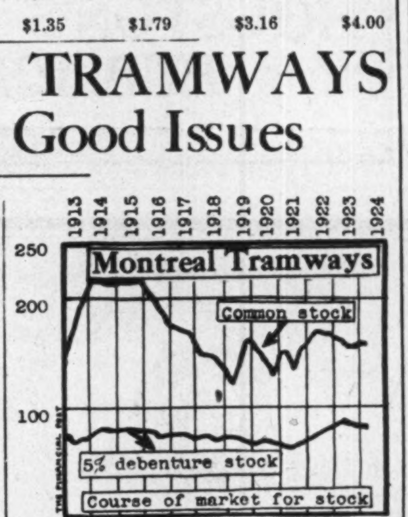
The contract between the city of Montreal and the company provides for a fair return to the company on its invested capital, including capital that may in the future be invested in extensions, and it provides for the automatic increase of fares charged the public when the returns fall below the amount required. On the other hand, a toll reduction fund, into which a proportion of surplus earnings is put, insures that car fares will come down if the prevailing rates are higher than are required to give the company a fair return on its investment. The city of Montreal gets substantial revenues under the contract. All the benefits of public ownership, and all the benefits of private ownership are combined in a "service-at-cost" plan of operation.

This contract is inspired by far-sighted recognition of two fundamentals:

1. That Montreal's continued growth is largely dependent on adequate expansion of its traction system.
2. That the investors who supply the capital for this expansion are entitled to every protection that the law can devise.

Montreal Tramways debentures, which bear 5 per cent. interest, and have no maturity date, combine the safety of a first mortgage on valuable, revenue-producing properties with the permanent advantages of an investment having no fixed maturity date.

Montreal Tramways common stock has for all intents and purposes been put amongst the highest types of corportation investments by the contract referred to.



The street railway system of Montreal has been in successful operation since 1861, and the Montreal Street Railway Company, the principal predecessor of the Montreal Tramways Company, paid consecutive annual dividends on its capital stock for more than 30 years. The company is now paying dividends at the rate of 10 per cent. on its common stock.

Capitalization—

	Authorized	Outstanding
Com. stock	$200,000,000	$ 3,993,170
5% deb. stock	20,000,000	17,150,000
Funded Debt—		
First and refndng. bnds., 5%, 30-year gold, due 1941	75,000,000	18,085,000

Dividend Record—

Year		Year	
1913	10%	1919	2½%
1914	10	1920	10+10
1915	10	1921	10+5
1916	10	1922	10
1917	10	1923	10
1918	2½		

Officers and Directors—

E. A. Robert, president; J. W. McConnell and Hon. Geo. E. Foster, K.C., vice-presidents; Wm. C. Finley, P. J. McIntosh, W. G. Ross, J. M. McIntyre, Sen. Lorne, C. Webster, Hon. J. M. Wilson.

Market Record—

Year	High	Low
1912	140	42
1913	198½	120
1914	230	190
1915	220	220
1916	200	175
1917	181	165
1918	150	150
1919	160	114¾
1920	155	125
1921	151	105
1922	172	142
1923	159	140
1924	169	148

Profit and Loss—

	1920	1921	1922	1923
Allow. under contract	$2,317,445	$2,355,970	$2,377,418	$2,392,986
Other revenue	58,134	55,359	64,061	37,238
Gross revenue	$2,375,579	$2,411,329	$2,441,479	$2,430,225
Int. on bonds	1,044,169	1,082,418	1,043,100	990,855
Int. on debs.	850,000	850,313	857,500	874,352
Other exp.	28,902	17,541	16,875	16,982
Total exp.	$1,923,071	$1,950,272	$1,917,475	$1,882,189
Net income	$ 452,508	$ 461,057	$ 524,004	$ 548,033
Dividends	290,550	388,994	397,432	399,947
Surplus	$ 161,958	$ 72,063	$ 126,572	$ 148,086
Prev. surplus	1,039,818	941,175	916,709	844,893
Total	$1,201,776	$1,013,238	$1,043,281	$ 992,979
Donation	5,000	....	....	....
Deferred div.	255,601	96,529	198,388	....
Total	$ 260,601	$ 96,529	$ 198,388	$ 992,979
Surplus	$ 941,175	$ 916,709	$ 844,893	$ 992,979

"KAM" POWER HAS LINK WITH PAPER CO.

Sir Herbert Holt's Company at Head of the Lakes Has Made Good Progress

(Kaministiquia Power Company)

A large degree of success has attended the operations of the Kaministiquia Power Company from the start. This company was organized a number of years ago and owns and operates a power plant at the head of the Great Lakes. The plant harnesses the waters of the famous Kakabeka Falls.

The 1923 annual report showed earnings that were the highest on record, both as to gross earnings and net profits. This was accomplished in spite of a shortage of water during the year, due to the operations of lumbering interests who used the river for logging purposes. In connection with the water shortage the conservative policy was adopted of setting up a reserve of $125,000 as a contingent fund against possible curtailment of output due to water shortage.

Some time ago it seemed that the company might lose out on the sale of power due to the fact that the Ontario Hydro-Electric Commission established a competing power enterprise at Cameron Falls on the Nipigon River. The publicly owned power plant took over the supply of power to the city of Port Arthur, formerly one of "Kam's" largest customers. The company met the situation by interesting a group of capitalists in the construction of a paper mill at Fort William. This company consumes a great deal of power and it is a strong point for "Kam" shareholders that the Fort William Paper Company has recently decided to double its output and will therefore be a good customer —a growing customer for power.

In connection with the financing of the paper company "Kam" got certain bonuses of preferred and common stock. These were turned over to a corporation formed under the name of Kakabeka Securities and one share of its stock was given to each holder of one share of "Kam" Power stock, the number of shares of outstanding stock being the same in the case of each company. This was the equivalent of a nice bonus for "Kam" Power shareholders last year.

Capitalization—

	Authorized	Outstanding
	$2,500,000	$2,497,000
Funded Debt—		
First gold 5% 30-yr. bonds, due 1937	2,000	1,883.000

Dividend Record—

Year		Year	
1910	2¼%	1917	7%
1911	3	1918	8
1912	4	1919	8
1913	5	1920	8+13½
1914	6	1921	8
1915	6	1922	8
1916	6½	1923	8

Officers and Directors—

Sir H. S. Holt, president, C. R. Hosmer, vice-president, W. A. Black, managing director; J. E. Aldred, F. H. Phippen, K.C., J. S. Norris, assistant secretary; W. L. Bird, secretary; N. M. Paterson.

Market Record—

	Common	
Year	High	Low
1912	128	100
1913	..	..
1914	121	121
1915	123	116¾
1916	130	113½
1917	130	120
1918	120	120
1919	110½	96½
1920	97	83½
1921	93	80
1922	100	80
1923	125	103
1924	113½	107

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross rev.	$424,870	$442,387	$449,273	$455,627	$493,418	$662,930
Op. & maint.	72,160	88,809	112,578	117,162	111,783	152,785
Balance	$352,710	$353,578	$336,695	$338,565	$381,635	$510,145
*Deprec.	34,000	34,000	34,000	34,000	44,000	44,000
Net. rev.	$318,710	$319,578	$302,695	$304,565	$337,635	$466,145
Fix. charges	96,125	96,125	96,062	95,258	103,987	99,169
Net. inc.	$222,585	$223,453	$206,633	$209,307	$233,647	$366,975
Dividends	175,816	175,972	175,992	199,760	199,760	199,760
Balance	$ 46,769	$ 47,481	$ 30,641	$ 9,547	$ 33,887	$167,215
Cont. fund	....	....	....	....	....	125,000
Surplus	$ 46,769	$ 47,481	$ 30,641	$ 9,547	$ 33,887	$ 42,215
Rate % earned on stock	10.1	10.1	9.3	8.3	9.3	14.7

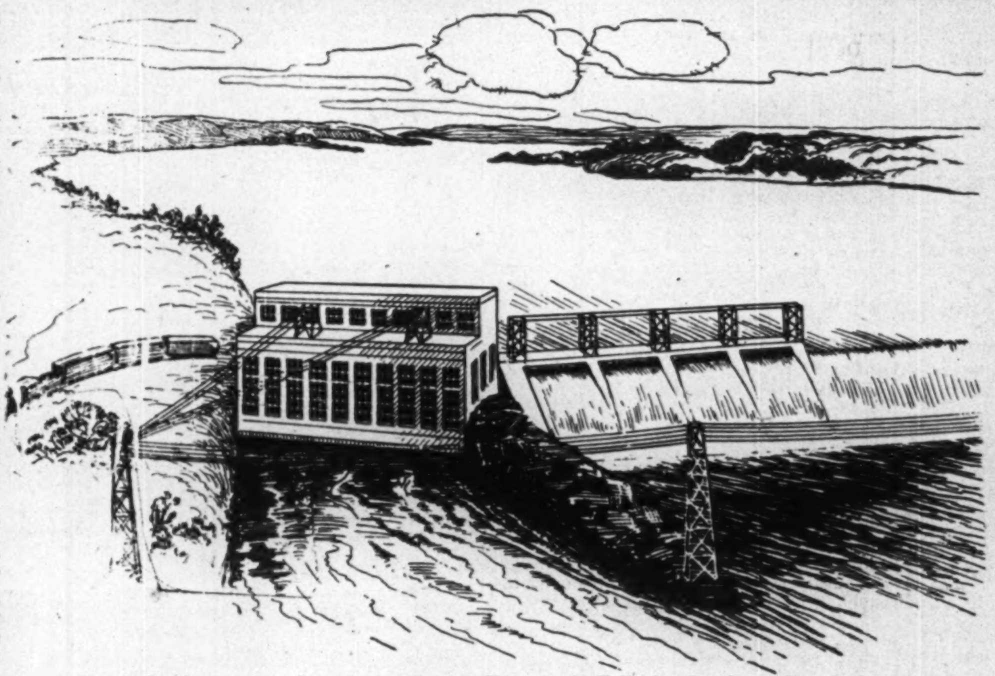
*In addition to $6,000 appropriated on monthly basis during year.

Steady Progress Assured *for the* Eastern Townships

THE steady growth of the prosperous Eastern Townships of the Province of Quebec has been aided by the ever-broadening service of the Southern Canada Power Company, now one of Canada's important power producing and distribution systems.

Just now the Southern Canada Power Company is adding to its ability to serve the industries and communities in its territory by developing 30,000 h.p. of energy at a site on the St. Francis River, about three miles from Drummondville.

The new plant at Hemming's Falls on the St. Francis River will have a capacity of 30,000 horsepower in six 5,000 horsepower units. Two of these are required to furnish 10,000 horsepower already sold to the Shawinigan Water & Power Company for service to its customers in the Thetford Mines area, and the others are required to replace purchased power and furnish additional power to meet the requirements of the splendid district served by the Company.



Power development under construction at Hemming's Falls by Southern Canada Power Company, Limited.

Storing Water for Use

This plant comes at the head of a chain of rapids strung out over twenty-five miles, down which the St. Francis tumbles before reaching the plains of the St. Lawrence. The Company during the war period, to meet urgent demands for power, had already placed a dam across the river and partially developed the next favorable location below the new development. There was no possibility of creating any storage here, as no lake of any size could be formed, so that during thirteen or fourteen hours of each day water has had to pass the plant unused for power purposes. The new development will, however, make possible the storage and use of all the water, save floods and freshets, which, stored and measured out, will pass down the river from plant to plant when needed and permit the immediate doubling of the present plant, adding over 10,000 more horsepower to this development. This only requires the installation of machinery in the place already provided and waiting for its reception when the first plant was built.

These two plants with some smaller plants already in operation, will give the Company a total of over 50,000 horsepower developed, and put it in a position to take care of the rapidly increasing industrial development of the district.

Progress of the Company

Turning now to the progress of the Company, in 1913 the St. Hyacinthe Gas, Electric and Power Company and the St. Johns Electric Light Company were acquired, and in 1914 the Municipal Plant of the Town of Drummondville was purchased; 1916 and 1917 were busy years, in which the Sherbrooke Railway and Power Company, with its subsidiaries, the Lennoxville, Light & Power Company, the Eastern Townships Electric Company, the Standard Electric Light Company, the Burroughs Falls Power Company, and the International Electric Company of Vermont were included, as well as the Brome Lake Electric Power Company, the Richmond County Electric Company, the Municipal plants of the City of Granby, the Town of Bromptonville and the Town of Iberville, and the private light and power plants serving Cowansville and Sweetsburg. The next year work was commenced on the first of the developments on the St. Francis River at Drummondville, which was completed and put into operation in 1919, and the private plants in Actonvale and West Shefford were incorporated in the system, in 1920 the private plant serving St. Cesaire and Rougemont, and in 1923 the Westbury Electric Light & Power Company were acquired and the system brought to its present state.

Other Powers Controlled

In addition to the powers both developed and undeveloped on the St. Francis River, the Company through its subsidiaries, owns a number of important powers on the Magog at Sherbrooke, on the Yamaska at Foster, St. Cesaire and St. Hyacinthe, on the Salmon at Kingsbury, on the Negro at Ayers Cliff, on the Coaticook at Waterville, on the Massawippi at North Hatley, on the Eaton at East Angus and on the Tomofobia at Rock Island. These powers, located thus at widely scattered points in the district, are valuable as auxiliaries, during transmission line interruptions and low water periods, in supplementing the service from the main plants on the St. Francis.

Concurrently with the purchase of existing distributing systems, other distribution systems were constructed in municipalities not previously supplied, so that at the present time the Company is actually supplying service in 61 municipalities in the district, with a total of over 15,000 customers connected to over 270 miles of distribution lines. High tension transmission lines about 300 miles in length have been constructed to connect up these distributing plants to the system so that the power resources of the Company may be available in all parts of the district, and a regular programme of transmission line construction is being carried out each year to complete a network of lines to provide additional capacity and improved reliability of serving.

Fine Manufacturing Territory

The area served by the Company's present lines is about 5,000 square miles, covering the most fertile portion of the Province of Quebec, stretched between the St. Lawrence River on the north and the American boundary on the south.

Strategically it is the natural location for any manufacturer who contemplates exporting or receiving any of his raw product from abroad. Canada unfortunately, on the Atlantic slope must always be dependent on railways for five months in the year. This section, however, is but a few miles from Portland on the one hand and St. John, N.B., on the other, being crossed by the trunk lines to these, the winter ports of Canada; it is also on the direct lines to New York and Boston.

In the past the industrialization has been slow, and over two millions of Canada's best industrial population has had to emigrate from this section to find work in the New England States. Year after year has seen the unemployed surplus go to swell the cities of Lowell, Pawtucket, Providence, New Bedford, Nashua, Manchester and others, until there are to-day almost as many French Canadians in the U.S.A. as there are in Canada. Of course, this has only been a phase of the result of Canada's lack of capital, and has been balanced in some way by the immigration into Canada's western provinces of American farmers looking for virgin crops to reap. Now, however, the balance wheel swings back and capital is finding all those elements which make for success right in this district, which is rapidly becoming the New England of Canada. Branch factories within a few hours ride of the U.S.A., can be built in this section and managed by the same executive—in some cases on the border by the same foreman. Here we have all the railway facilities that the district can ever need—a contented almost limitless, non-unionized labor that works, builds homes, and lives a normal, sane life—a labor that is well trained in production, born on the farm, industrious and thrifty, that is at all times readily supplemented by the repatriation of those who left the district on account of lack of employment previous to the industrial development now taking place and have become skilled artificers and artisans during their enforced absence. The district provides also level sites with good foundations at farm-land prices, in communities which are not burdened by high taxes, and these communities will extend themselves to assist the manufacturers.

Work of Industrial Department

The Company has been instrumental in the promotion of this industrial development, and has in this way substantially increased the market for its product, not only by the sale of power, to the industries themselves, but also by the sale of electricity for domestic use by the employees of the industries, and by the increased general use occasioned by increased business of the merchants and all other enterprises resulting from the increasing employment of the growing population. An Industrial Department specializing in this work has been maintained practically since the inception of the Company, and this Department by working in the closest harmony with the various Boards of Trade and similar bodies in the district, has been able to accomplish a great deal in this line of endeavour, and the prospects indicate that a great deal more will be accomplished in the future.

The sale of electricity has also been increased by the use of appliances for domestic use, promoted through a vigorous sales effort conducted by the Company. There are 19 retail stores operated in conjunction with local offices, where these appliances are stocked and demonstrated, and the merchandising has now become an important feature of the work of the Company and a considerable factor in the rapid growth in the use of its product.

Employee and Customer Owners

Undoubtedly the progress of the Company has been due in large measure to the loyalty and efficiency of its staff, which are augmented by a substantial interest in the Company's securities, obtained by thrifty habits encouraged by the Company. Over ninety per cent. of the employees have purchased, or are now purchasing stock in the Company, on an instalment plan, by which a definite amount is set aside each pay day until the security becomes the property of the employee.

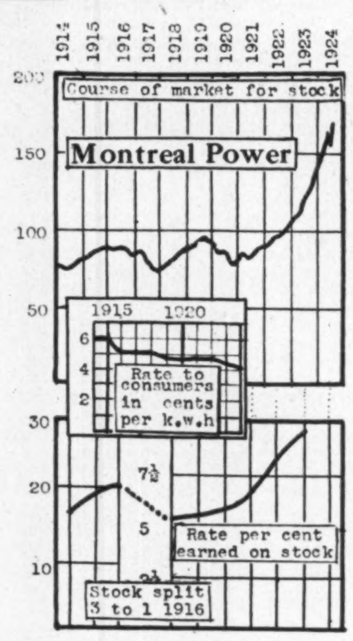
The customers of the company are also taking a real and substantial interest in its securities. This Company was the first to introduce into Canada the policy of Customer Ownership, which has already proved so popular in the United States. Commencing in 1922, and following up in 1923, the Company offered its Preferred Stock to its customers, and as a result of these two offers already practically 20 per cent. of its 15,000 customers are shareholders, and thus financially interested in its success. The community of interest thus established is obvious, and the resulting co-operation is bound to benefit all.

The earnings of the Company have grown from $100,000 in 1914 to practically $1,000,000 in 1923, and this growth is a very evident indication of the benefits of the progress of the Company, not only insofar as it concerns the Company itself, but to the district, the Province and the country as well. With its customers and employees all interested and assisting, with its splendid power resources, and the advantageous district to be served, the continued progress of the Company seems assured.

Southern Canada Power Company Limited

Head Office, Coristine Bldg., MONTREAL

MONTREAL POWER—The Old Reliable Security



Ever-expanding, the Montreal Light, Heat and Power Consolidated is an interesting example of a company that increases its plant and thus its earning power through a continuous process of ploughing back a large part of earnings. For instance, here are some of the developments that have been completed or initiated by "Power" during the year 1923, and all without the issue of any new stock or bonds.

At the Cedar Rapids plant, two additional power generating units of 12,000 h.p. each were installed, one of which was put into commission in November, and the other in December, and work was commenced on two other units of similar size.

The channel of the St. Lawrence river was further deepened by the removal of 200,000 cubic yards of gravel.

Capacity of the transformer house increased by 30,000 K.v.a. by the installation of three transformers that are among the largest of their kind in the country.

A new distributing station was built in the northern part of the city. Another station was completely reconstructed.

A new 66,000 volt transmission line was built, about six miles long. The number of transformers was increased by 400, and the number of new connections by 8,000. New wire was strung. Many further improvements and extensions were carried out.

In the gas department, a complete installation of an immense eight million cu. ft. water gas pipe was started, and work commenced on a six million cu. ft. holder.

Thousands of new contracts for electrical and gas service were obtained, and distribution greatly increased. There was a net increase of 4,300 gas users and 9,600 electrical users.

Of chief interest to investors is the important rise in the market value of the stock. Investors in Montreal Power have never had very large dividends, but have almost invariably had a substantial appreciation in the market value of their shares from year to year.

The annual report for the year ending December 31, 1923, showed both gross and net earnings far ahead of those of last year or any previous year since the present company was organized, and showed 9.59 per cent. earned on the common stock. This is a heavy advance, as power company earnings go, over the percentage of 8.15 per cent. in 1922; 6.54 per cent. in 1921; 5.89 per cent. in 1920; 6 58 per cent. in 1919 and 5.55 per cent. in 1918.

Not only were the earnings far ahead of last year but the working capital position of the company was greatly improved, the surplus of current assets over current liabilities standing at $9,575,000 compared with $8.005,000 one year ago.

The stock of Montreal Light, Heat and Power is widely held, there being in the neighborhood of 6,000 shareholders, but it has of late years become less important as a trading stock on the market. The stability of the annual enhancement in value has taken it out of the speculative field and most of the buying for some years past has been on the account of those who are holding it as an investment.

Owing to the steady growth of the city of Montreal and surrounding country served by the company, it must be apparent that remarkable as has been its expansion in the past, there is still ahead a great opportunity, and the management is well known for its discerning ability and it is obvious that the possibilities confronting the shareholders are exceptional.

These are some of the factors which must be taken into account in measuring the current value of the shares. What might be termed cold figuring will not fully explain the situation. Past history and some imagination respecting the future are necessary.

Capitalization—

	Authorized	Outstanding
Capital stock	$75,000,000	$64,606,900

The original shareholders of the Montreal Light, Heat & Power Co. exchanged one share of the old for three shares of the new, and the shareholders of Cedar Rapids Mfg. & Power Co. were given the right to exchange share for share.

Funded Debt—

While Montreal Light, Heat & Power Consolidated has no outstanding bonds there are bonds of constituent companies as follows: Montreal Light, Heat & Power Co., that is the old company, first mortgage collateral trust 4½ per cent. bonds due 1st Jan., 1932, redeemable at 105 on any interest date; interest payable 1st Jan. and 1st July, $6,301,000; also Lachine sinking fund 5 per cent. bonds due 1st April, 1933, redeemable at 105, interest payable 1st April and 1st October, $2,910,000; also Cedar Rapids Mfg. & Power Co., first mortgage sinking fund 5 per cent. bonds due 1st January, 1953, redeemable at 105, interest payable 1st April and 1st October, $13,807,300.

Dividend Record—

Year		Year	
1916	1%	1920	5%
1917	4	1921	5
1918	4	1922	5
1919	4½	1923	6

Officers and Directors—

Sir Herbert S. Holt, J. S. Norris, J. E. Aldred, Sir H. Montagu Allan, C.V.O., George Caverhill, C. R. Hosmer, T. B. Macaulay, G. H. Montgomery, K.C., Hon. N. Perodeau, Hon. H. B. Rainville, R. M. Wilson, Sir Lomer Gouin, K.C., C. S. Bagg, Sec.-Treas.

Market Record—

Year	High	Low
1916	83¼	79
1917	83	68½
1918	88½	68½
1919	95	84½
1920	90	76
1921	89½	77½
1922	104¾	85
1923	143¼	103¾
1924 (to date)	167½	140⅛

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross revenue	$10,390,684	$10,939,273	$12,748,409	$13,289,965	$14,431,323	$16,140,960
Exp. and taxes	4,767,869	5,357,493	6,810,287	6,549,933	6,504,718	7,113,960
Dep. & renew.	1,039,069	943,927	1,055,166	1,328,997	1,443,132	1,614,096
Net revenue	$ 4,583,746	$ 4,637,853	$ 4,882,956	$ 5,411,035	$ 6,483,473	$ 7,412,904
Fixed charges	995,022	1,032,671	1,078,450	1,188,293	1,214,785	1,211,654
Net income	$ 3,588,724	$ 3,605,182	$ 3,804,506	$ 4,222,742	$ 5,268,688	$ 6,201,250
Dividends paid	1,916,367	1,921,030	2,683,443	2,689,741	2,690,398	3,231,767
Divi. accrued	639,658	641,261	537,296	537,948	646,069	754,041
Surplus	$ 1,032,699	$ 1,042,891	$ 583,767	$ 995,053	$ 1,932,221	$ 2,215,441
Ap. for pensions	20,000	20,000	20,000	20,000	20,000	20,000
Trans. to gen. surplus	$ 1,012,699	*$1,022,891	*$ 563,767	*$ 975,053	*$1,912,221	*$2,915,442
Rate % earned	5.58	5.60	5.87	6.51	8.12	9.59

*Subject to income tax.

BUILDING UP NEW GROUP AT OTTAWA

New Capital Goes Into Expansion of Ottawa and Hull Power

(Ottawa & Hull Power Co.)
(Ottawa River Power Co.)

One of the constructive developments of the past year in Canadian water power development has been a complete change in control of the power group at Ottawa that now operates under the name of the Ottawa and Hull Power Company. This change of control has been accompanied by the investment of much new capital in the enterprise, enabling the company to add to its power development. At the same time a subsidiary of this company has been formed under the name of the Ottawa River Power Company to develop another site owned on the Ottawa River about fifty miles from Ottawa. All of the power developed is sold in large blocks; numerous industries in the Ottawa and Hull district purchase power from the company and there is a close working connection with the Ottawa Light, Heat and Power Company through the sale to that company of large amounts of Ottawa and Hull Power. The Ottawa and Hull Power Company has no domestic distribution system.

Capacity of the two plants owned at Hull is 40,000 h.p. Through stock ownership the company will control the Ottawa River Power Company which owns and is now developing a water power situated on the Ottawa River at Bryson, P.Q., about 50 miles above Ottawa. The ultimate capacity of this development will be 67,500 h.p.

The company, therefore, will own and control hydro-electric plants with a present capacity of 40,000 h.p. and an ultimate capacity of over 100,000 h.p. The initial installation of the Ottawa River Power Company is 22,250 h.p. This power will be sold under a 30-year contract to the Ottawa and Hull Power Company.

The territory served by the Ottawa and Hull Power Company in the distribution of its own power and the power it purchases from its subsidiary comprises the cities of Ottawa and Hull and surrounding district. It is a rich, residential and manufacturing centre, the natural advantages of which and the cheap hydro-electric power available, combine to make it a most prosperous industrial community.

The population exceeds 150,000 and there are located in the territory over 200 industries. The number of power users exceed 35,000. It is one of the most important lumber and pulp centres in the Dominion of Canada.

Long Time Since Calgary Gas Paid A Dividend

(Can. Western Natural Gas Co.)

The Canadian Western Natural Gas Company is a company that was financed in Great Britain to take advantage of the extensive natural gas areas of Southern Alberta. It controls certain natural gas fields and has exclusive franchises to supply this gas in the cities of Calgary, Lethbridge and in a number of other southern Alberta communities.

The company's earnings record has not been thoroughly satisfactory and in the past five years has done little more than earn its interest and sinking fund charges.

Northern Canada Power
Limited

6½%

First Mortgage Fifteen-Years Sinking Fund Bonds

Dated June 1st, 1923 Due June 1st, 1938

Principal and semi-annual interest (June and December) payable in Toronto and Montreal and in London, England, at par of exchange.

Bonds may be registered as to principal
Denominations of $1,000, $500 and $100
Legal opinion Blake, Lash, Anglin and Cassels

An annual sinking fund of 4% on the total amount of all bonds issued together with a sum equal to the interest on the bonds redeemed from time to time has been provided. This sinking fund will redeem 75% of the bonds by maturity.

The earnings of the Company, owing to the constant expansion of its market, have shown regular increases.

Average annual earnings for three years ending December 31st, 1922 .... $460,000
Earnings year ending December 31st, 1922 612,000
Earnings year ending December 31st, 1923 615,000

The Company is now delivering power from Sturgeon Falls plant, and within a few months the new Quinze River 20,000 H.P. development will be completed and the Company's net earnings should be still further increased.

Price 99.50 and interest to yield 6.55%

DOMINION SECURITIES CORPORATION
LIMITED.
Established 1901

MONTREAL OFFICE
Canada Life Building

E. R. WOOD, President
Head Office: 26 King Street East
TORONTO

LONDON, ENG., OFFICE
No. 6 Austin Friars

ALDRED & CO.
LIMITED

Offices:
MONTREAL 604 Royal Trust Bldg.
NEW YORK 42 Wall Street
LONDON 8 King William Street
PARIS 1 Rue des Italiens

We have been instrumental in the financing of the following companies, for whom we also act as fiscal agents:—

Shawinigan Water and Power Company
Quebec Power Company
Howard Smith Paper Mills, Ltd.

We have also financed the following companies:—

Laurentide Power Co., Limited
Consolidated Gas, Electric Light and Power Co. of Baltimore
Pennsylvania Water & Power Company
St. Maurice Paper Co., Ltd.
Gillette Safety Razor Company
Eastern Rolling Mills Co. of Baltimore
Rolls Royce of America, Inc.
St. Maurice Power Company

THE COMPANY ACTS AS FISCAL AGENTS FOR CORPORATIONS

We shall at all times be pleased, upon request, to furnish information concerning these companies, both as regards their activities and their securities.

Machinery & Supplies
for
Hydro-Electric and Public Utility Plants

Fairbanks-Morse Motors
Fairbanks-Morse Pumps
Fairbanks Valves
Fairbanks Scales
Strong Steam Traps
Pratt & Cady Valves
Reading Steel Valves
Foster Regulators
Pipe & Fittings
Durabla Packing
Transmission Appliances
Yale Hoists
Norton Grinding Wheels
Dick's Balata Belting
Graton & Knight Leather Belting
Nash Pumps
Trucks of all descriptions
Concrete Mixers
Stone Crushers
Duff Jacks
Machine Tools
Machine Shop Supplies
Rumsey Pumps
Automotive Equipment

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THE CANADIAN
FAIRBANKS MORSE
COMPANY LIMITED
ST. JOHN QUEBEC MONTREAL OTTAWA TORONTO WINDSOR
WINNIPEG REGINA CALGARY VANCOUVER VICTORIA

LAURENTIDE POWER— Increasing Sale of Energy

An interesting development of the year in connection with Laurentide Power is that arrangements are being made to market about 40,000 h.p. "off peak" power, which means a tidy increase in earnings. The company's earnings are at present increasing from year to year on the sale of 125,000 h.p. of electrical energy. With the prospect of additional income from this extra 40,000 h.p. the future ahead of this company seems to be excellent.

Laurentide Power is an outgrowth of a power development built by the Laurentide Co. in connection with their great paper mill at Grand Mere, P.Q. The separate power company was formed in 1915 and the Laurentide Company retained a substantial interest in it. But the very large excess of power not required by the Laurentide Company for its own purposes was sold en bloc to the Shawinigan Water & Power Company. As the latter company owns its own transmission lines, Laurentide was spared the expense of erecting and caring for a distribution system.

The first is that the Laurentide Company owns $7,200,000 of the stock of the Laurentide Power Company, leaving only $3,300,000 in the hands of the public.

The other is that the company has only two consumers, the Laurentide Company and the Shawinigan Water & Power Company, who take the whole output of power produced. This means of course that overhead charges, except dividends, can be maintained at a very low figure, and is probably another reason for the high price at which the stock sells.

Capitalization—

	Authorized	Outstanding
	$10,500,000	$10,500,000

Funded Debt—

First, 30-yr. sinking fund gold 5%, due 1946	7,500,000	7,500,000
General mortgage 7%, due 1941	1,500,000	1,420,000

Dividend Record—

Year		Year	
1919	3%	1922	4¾%
1920	4	1923	5
1921	4		

Officers and Directors—

J. E. Aldred, president; F. A. Sabbaton, vice-president; Julian Smith, Edwin Hanson, George Chahoon Jr., Howard Murray, B.E.E., C. H. Hosmer, A. A. Tilney, Capt. J. H. A. Acer, L. Armstrong, treasurer; W. F. Robinson, secretary; F. E. McNally, assistant-secretary.

Market Record—

Year	High	Low
1920	75	51
1921	76	53
1922	99	70
1923	100½	93¾

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Revenue	$ 855,045	$ 837,737	$ 1,033,176	$ 1,228,186	$ 1,333,643	$ 1,411,180
Misc. do.	15,348	10,108	7,712	9,375	15,387	6,643
	$ 870,393	$ 847,845	$ 1,040,888	$ 1,237,561	$ 1,349,030	$ 1,417,823
Expenses	183,626	176,769	174,095	200,541	199,367	247,538
Net earn.	$ 686,767	$ 671,076	$ 866,793	$ 1,037,020	$ 1,149,663	$ 1,170,285
Interest	375,000	375,000	375,000	425,735	474,400	474,857
Ex. on bond. int.	......	12,125	59,538	40,544	4,457	8,394
Net profit	$ 311,767	$ 283,951	$ 432,255	$ 570,741	$ 670,806	$ 687,034
Prev. surplus	56,987	162,420	19,806	3,343	12,632	69,238
	$ 368,754	$ 446,371	$ 452,061	$ 574,084	$ 683,438	$ 756,272
Trans. from cont. fund						60,000
						$ 816,272
Back taxes						127,458
						$ 688,814
Loss on bonds	....	....	....	4,869	....	....
Sinking fund	....	....	....	85,000	89,200	89,340
Dividends	....	420,000	420,000	420,000	525,000	525,000
Insur. reserve	....	....	....	20,000	....	....
Income tax res.	6,334	6,565	8,718	27,555	....	64,000
Contingent	100,000	....	20,000	....	....	....
Deprec. res.	100,000	....	....	....	....	....
Surplus	$ 162,420	$ 19,806	$ 3,343	$ 16,660	$ 69,238	$ 10,474
Rate % earned	2.97	2.70	3.84	5.12	6.39	....

WINNIPEG ELECTRIC — Situation Somewhat Confused

The situation in regard to Winnipeg Electric Company has become somewhat confused of late due to the fight that seemed imminent between the present management in Winnipeg and the large group of Eastern shareholders represented by Nesbitt Thomson and Company. At the moment it seems that a compromise has been arrived at between the opposing factions and when the annual meeting comes together on July 8 there will likely be a frank discussion. One result may be a change in management. In any event the recent confusion has been due not so much to any weakness in the company's position as to the desire of Eastern people who have been contributing more and more to the company's financial arrangements in the past few years to get more adequate representation in the management of the company's affairs.

At the moment it is not certain whether the future of Winnipeg Electric will be along the lines chiefly of a tramway company or of an electric light and power developing and distributing organization. Of recent years the power side of the company's business has been coming to the fore and has been carrying the burden of profits. The street railway system has not proven particularly profitable and last year was responsible for cutting into the earnings of the power branch. There are strong interests in Winnipeg Electric who would not be disappointed at all if the city of Winnipeg took over the tramway system when the franchise expires in 1927. The company has a perpetual franchise for the operation of the street railway system in Winnipeg but the franchise can be revoked at the end of any five year period, and the tramway system taken over by the city of Winnipeg at a price to be fixed by arbitration. If the city were to take over the tramway system, as has been suggested by a good many local politicians, Winnipeg Electric would immediately proceed to concentrate its activities in the light and power branch.

At the present time the company's chief source of power is from its subsidiary the Manitoba Power Company, which has been separately financed. This company has developed 56,000 h.p. of which only about half has been sold to date. When the remainder has been sold the profits of the company will naturally be greatly augmented and this will be of distinct benefit to Winnipeg Electric. The sale of the additional power depends upon the industrial development and the community growth of Winnipeg and the vicinity. Manitoba Power Company could develop up to 180,000 h.p. at its present site and is thus secured of being able to meet the demands of the city of Winnipeg for power for many years to come.

Winnipeg Electric was greatly affected by the war and there have been no common dividends since 1915 but the preference dividends, to date, have been regularly paid. The properties have been maintained in a high state of efficiency. The prospects at the moment seem very favorable. A substantial saving in operating costs is anticipated from the use of the new hydro electric power supply now available from Great Falls which is much cheaper than steam generated power.

As more power is sold and as the street railway system becomes either more profitable or is sold entirely the company should substantially improve its position.

Capitalization—

	Authorized	Outstanding
Com	$11,000,000	$11,000,000
Pref. 7% cum.	3,000,000	3,000,000

Funded Debt—

Bonds 5%	4,273,500
First refund, mortgage, sinking fund, due 1935.	
Bonds 5%	726,500
Winnipeg Electric St. Ry. 1st mortgage, due 1927.	
Debentures 4½%	4,380,000
Perpetual Consolidated.	
General Mortgage & Collateral Trust 6% gold bonds, due 1943,	$3,250,000
Debts of subsidiaries, interest and principal guaranteed:	
Winnipec Electric Ry.	$1,400,000
Suburban Rapid Transit	500,000
Manitoba Power	7,500,000
Total	$9,400,000

Dividend Record—

Preferred dividends are being paid quarterly.

Common dividends were paid at rate of 8% per annum up to Jan. 1908; increased to 10%, Apr. 1908; and to 12% from July 1911, until first quarter of 1915, when 2½% was paid; this rate was maintained until fourth quarter of 1915, when 2% was paid (making 9½% for year 1915); none since.

Officers and Directors—

Sir A. Nanton, president; A. W. McLimont, vice-president and general manager; G. V. Hastings, Hugh Sutherland, A. J. Nesbitt, F. Morton Morse, W. J. Bulman, D. N. Finnie, W. R Bawlf, J. S. Mackenzie, treasurer.

Market Record—

	Common		Preferred	
	High	Low	High	Low
1912	269	210	—	—
1913	218¼	187	—	—
1914	205	180	—	—
1915	180	180	—	—
1916	110	90	—	—
1917	81	36	—	—
1918	48	48	—	—
1919	49	34¾	—	—
1920	42	26	—	—
1921	48	30	—	—
1922	46½	30¼	88	79½
1923	42¼	26½	87¼	80
1924	30	24	85	75

Profit and Loss

	1918	1919	1920	1921	1922
Gross earnings	$3,588,723	$4,284,479	$5,233,700	$5,418,024	$5,395,223
Oper. expenses	2,412,226	3,019,495	3,428,897	3,559,380	3,526,715
Net revenue	$1,176,497	$1,264,984	$1,804,803	$1,858,644	$1,868,508
Other income	44,931	58,639	76,700	161,406	121,854
Total income	$1,221,428	$1,323,623	$1,881,503	$2,020,050	$1,990,362
Interest charges	668,342	696,490	716,215	633,331	643,028
Dis. on secs.	16,255	37,672	26,787	52,526	16,000
City percentage, etc.	114,509	146,395	181,249	183,070	175,036
Taxes	114,928	126,761	127,239	164,314	164,639
Misc. exp.	2,191	2,018	2,942	3,312	3,783
Other deduct.	15,419	16,432	30,496	54,532	52,500
Deprec.	201,050	201,050	201,050	201,050	201,050
	$1,132,694	$1,226,818	$1,285,978	$1,292,135	$1,256,037
Net income	$ 88,734	$ 96,805	$ 595,525	$ 727,915	$ 734,325
Pref. dividends	......	......	4,444	182,367	210,000
Sinking fund	60,000	60,000	60,000	57,420	56,550
Deprec.	......	......	......	122,606	138,460
Surplus	$ 28,734	$ 36,805	$ 531,081	$ 365,522	$ 329,315
Rate earned on common	$ 0.32	$ 0.41	$ 5.36	$ 3,72	$ 2,99
Rate earned on preferred	..	..	..	18,26	17.97

PHONE SYSTEM IN N.S. ADVANCES STEADILY

Despite Quiet Business Conditions There Was an Increase in Business in 1923

(Maritime Telephone & Telegraph Co.)

Quietness in business conditions throughout Nova Scotia during 1923 was responsible for holding back the possible development of the Maritime Telegraph and Telephone Company throughout that year. Nevertheless, there was a nice increase in the number of stations and in revenue from long distance and local service.

The company operates the telephone system in the province of Nova Scotia and has a close affiliation with Bell Telephone Company of Canada. It also owns the Eastern Telephone and Telegraph Company which company owns and operates the telephone system in the neighboring province of Prince Edward Island.

It is hoped that with the settlement of the industrial situation in Cape Breton the coming year will show a marked improvement in business generally which would of course be reflected in the operations and profits of the telephone company.

As in the case of other Nova Scotia public utilities this company is entitled to earn its some 8 per cent. on the value of its undertaking after the payment of all reasonable expenses. The company fell short of this goal by $40,000 last year but it is hoped that the company in the future will be able to earn a sum nearer to that which they are legally entitled at the present time.

Capital Stock—

	Authorized	Outstanding
Pref. 6% Series "A"	$1,000,000	$1,000,000
Pref. 7% Series "B"	2,000,000	1,222,010
Common	1,000,000	850,000

Funded Debt

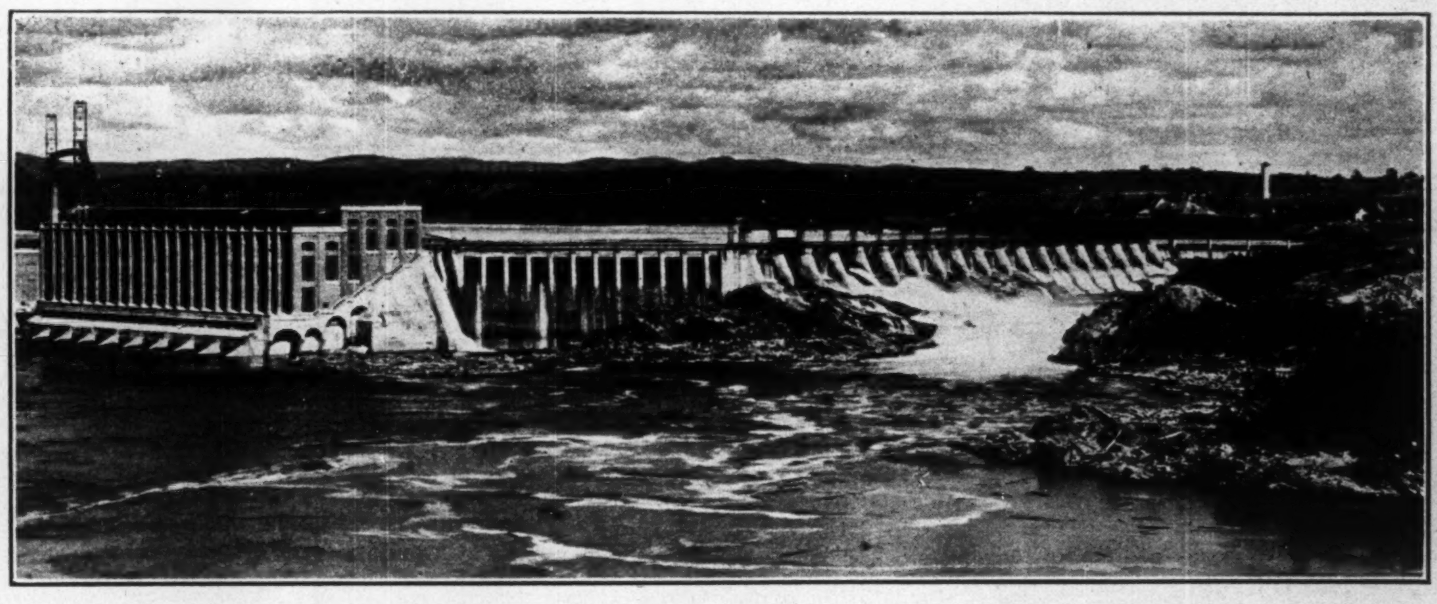
	Authorized	Outstanding
1st mtg.	$1,500,000	$1,500,000
Refund. mtg. 7's	6,000,000	1,000,000

Directors—

S. M. Brookfield, president; O. E. Smith, vice-president, G. E. Faulkner, J. H. Winfield, A. Mackinlay, E. L. Macdonald, G. F. Pearson, Halifax, N. S.; C. F. Sise, L. B. McFarlane, Montreal.

Profit and Loss Statement

	1923	1922	1921	1920	1919
Receipts	$1,531,470	$1,487,712	$1,469,999	$1,417,430	$1,209,472
Expenses	1,048,418	1,030,824	1,040,448	1,040,090	909,436
Balance	$ 483,052	$ 456,888	$ 429,551	$ 377,340	$ 300,034
Taxes	80,169	76,178	90,480	72,182	56,887
Net earnings	$ 402,883	$ 380,710	$ 339,071	$ 305,158	$ 243,147
Interest	152,931	139,566	129,572	90,000	90,000
Net profit	$ 249,952	$ 241,144	$ 209,499	$ 215,158	$ 153,147
Amortization of Disct. on Securities and tax adjustments	31,162	30,740	3,450	4,329	12,067
Balance	$ 218,790	$ 210,404	$ 206,049	$ 210,829	$ 141,080
Prev. Balance	15,186	20,783	23,677	1,643	25,543
Balance	$ 233,976	$ 231,187	$ 229,726	$ 212,472	$ 166,623
Dividends	216,000	216,000	208,943	188,795	164,980
	$ 17,976	$ 15,187	$ 20,783	$ 23,677	$ 1,643



Laurentide Power

Company Limited

ONE of the most healthy water power companies of the province of Quebec is the Laurentide Power Company, Limited, with a magnificent plant installed on the St. Maurice River at Grand Mere, with a present output of 165,000 horsepower and eventually a capacity of 180,000 h.p. This company is a development of the Laurentide Company, which now concerns itself only with the production of pulp and paper and allied output, while the Laurentide Power Company was organized to handle the generation of electric power. On December 23, 1915, arrangements were completed whereby the power property of the Laurentide Company was conveyed to the new power company. Two years before, the idea of a separate organization was conceived when it was recognized that the admirable location of the power plant enabled it to produce a much larger amount of power than could be utilized by the Laurentide Company for its own industrial purposes. With its mills working to capacity, in 1915 the Laurentide Company's requirements amounted only to 22,000 h.p., so that an enormous quantity of surplus power remained that it was felt should be distributed and even greatly developed. The formation of the separate company, as the Laurentide Power Company, was the result, which took over all the power properties formerly owned by the Laurentide Company, consisting of all land and property controlling the St. Maurice River for a distance of twenty miles above Grand Mere. The company was incorporated with capital stock of $10,500,000, and $7,500,000 of bonds.

Marvellous St. Maurice Water Powers

The Laurentide Power Company is fortunate in the wonderful source of its development: the St. Maurice River. Few Canadians have any conception of its marvellous water power. Four hundred miles long from its source to its confluence with the St. Lawrence River, it drains an area of 17,000 square miles. An important engineering work was undertaken by the Quebec Government in accordance with its plans for the conservation of the water powers of the province when it constructed a dam costing $2,000,000 on the St. Maurice River at a point 100 miles south of its source. The effect of this dam is to back up the waters over a huge territory, and its powers of conservation will exceed those of the famous Assouan dam on the Nile. To back up these unlimited possibilities, the Laurentide Power Company has installed the most modern and efficient machinery, and is seeking to develop to the utmost what nature has been so lavish with on the St. Maurice.

Big Dam Built to Increase Power

It did not take long to rush forward plans for the independent development of the power company beyond the requirements of the Laurentide Paper Company, and by the end of 1915 three units with a total capacity of 60,000 h.p. were in operation.

By January, 1916, the company's plant possessed a potential capacity of 125,000 h.p. within easy transmission distance of Montreal, and the additional storage facilities provided by the Quebec Government on the Manouan River increased the ultimate capacity of the Laurentide Power Company to 180,000 h.p. And for all the costly engineering work that has been necessary, the company had the satisfaction of knowing that the bonded debt was about $70 per h.p., a record it would be difficult to duplicate in any power plant on the continent.

Using Shawinigan Transmission Line

Besides the immense natural advantages in its location, the Laurentide Power Company was fortunate in its initial stages of being able to work out an agreement for the sale of its power that made unnecessary the expensive transmission lines that most companies must build at the outset. Close beside it is situated the Shawinigan Water & Power Co., and all the Laurentide output not used by the parent company is taken by Shawinigan and distributed over its transmission lines, a system that embraces over 1,500 miles that cover a radius of 100 miles, east, west and south from Shawinigan Falls, including Montreal, Quebec, Three Rivers, Thetford Mines, and some fifty other smaller cities and towns in the province of Quebec. This enables the power of the Laurentide Power Co. to reach the most important industrial centres of the whole province, and ensures for it a constantly increasing demand in the years to come.

Two Promising Factors

The Laurentide Power Company thus had from the beginning some of the most promising factors possible for success; it had assured contracts for large blocks of power, and it was saved the heavy expense of transmission lines and the upkeep of these.

The interesting statement was made by the president, J. E. Aldred, in his annual report to the shareholders, that there was prospect of increased sales of peak load power. Mr. Aldred said:

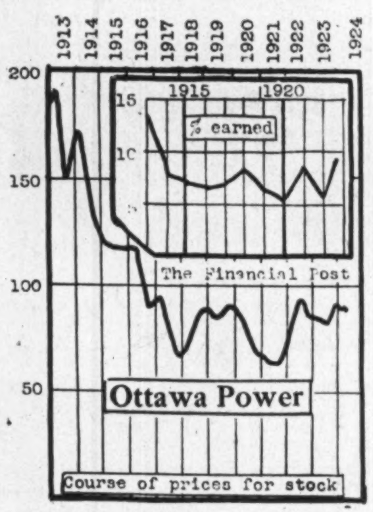
"The present statement is based on the sale of 125,000 horsepower for the year. The Company has installed a total of 165,000 horsepower. With the improvement in the water regulation on the St. Maurice River and the prospect of selling a certain amount of peak load power, it is expected that this extra 40,000 horsepower of capacity can be used to increase the income of the Company."

Excellent Financial Results

From the financial standpoint and that of the investor in the bonds and stock of the Laurentide Power Company the results have been exceedingly gratifying. At the last annual meeting the president, J. E. Aldred, reported:—

The total revenue for the year from all sources	$1,417,822.95
After making provision for interest charges, water rentals, operation and maintenance, there remains a surplus of	687,034.31
Dividends	525,000.00
Sinking Fund	89,200.00

OTTAWA POWER—Field of Service is Expanding



A recent development of some interest in connection with Ottawa Light, Heat and Power was the arrangement of a contract with the Ottawa and Hull Power Company for the supply of power by the latter company. The amount of contract is for up to 19,000 h.p. and will supplement the present sources of power for the Ottawa Electric Company, a subsidiary of Ottawa Light, Heat and Power. The power is required to provide service in the rapidly expanding field served by the company.

Last year Ottawa Light, Heat and Power carried through an extensive scheme of re-financing which makes it difficult to compare earnings of 1923 with earnings for previous years in considering their relationship to the outstanding stock. But the fact that gross earnings and net earnings after meeting operating expenses showed a nice increase for 1923 is the best indication of the progress of the company.

The changes in the company's financial arrangements were made chiefly to the end of reducing interest charges and dispensing with premium on interest payments.

The company had outstanding $3,500,000 of common stock which was unaffected by the arrangements. There was however unissued capital stock to the amount of a million and a half and this was converted into preferred stock which was sold, partially through a customer ownership campaign, in the city of Ottawa. With the proceeds the company's entire outstanding indebtedness was redeemed, including two issues of a total of $1,300,000.

A new bond issue of $6,000,000 was created but only $500,000 of this was sold. The sale provided new working capital and enabled the company to proceed with some necessary extensions.

The dividend is regarded as well secured, as earnings are on the advance.

Capitalization—

	Authorized	Outstanding
Common . . .	$5,000,000	$3,500,000
Preferred 6½% . .		1,500,000

Funded Debt—

Ottawa L. H. & P. 6% 1953	$500,000
Ottawa Electric 5% 1933	625,000
Ottawa Gas Co. 5% 1934	150,000
Ottawa Gas Co. 6% 1939	805,500
Total bonds outstanding	$2,080,500

Dividend Record—

Year		Year	
1908	5%	1916	6%
1909	5	1917	6
1910	6+2	1918	6
1911	7+1	1919	6
1912	7+1	1920	6
1913	8+2	1921	6
1914	8	1922	6
1915	7½	1923	6

Officers and Directors—

Thos. Ahearn, president; A. A. Dion, general manager; H. H. Horsey, W. Lyle Reid, T. Workman, W. C. Pitfield, Abner Kingman, Geo. F. Henderson, K.C., D. R. Street, sec-treasurer.

Market Record—

Year	High	Low
1912		
1913	192	143
1914	172	123
1915	123	120
1916	120	92
1917	95	69¾
1918	86	69
1919	87	75
1920	81	70
1921	72½	60
1922	96	70
1923	92½	79½
1924	86	81

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross rev.	$1,114,915	$1,237.129	$1,459,308	$1,652,051	$1,685,381	$1,718.403
Expenses	701,387	882,932	1,068,888	1,108,673	1,140,847	1,171,680
Net rev.	$ 413,528	$ 354,197	$ 390,420	$ 543,378	$ 544,534	$ 546,722
Bond interest	63,750	99,962	129,792	185,980	189,935	174,159
Other interest	39,627	23,263	31,928	37,136	30,172	32,840
Net profits	$ 310,149	$ 230,971	$ 228,699	$ 320,261	$ 324,428	$ 339,723
Dividends	209,934	209,983	210,000	210,000	210,000	229,772
Deprec.	....	....	....	....	93,741	97,574
Reserve	50,000	....	....	....	....	....
Bad debts	21,189	11,529	14,593	16,520	16,854	....
Taxes	....	....	....	....	....	25,580
Tax adjust.	....	....	....	....	....	65,664
Balance	$ 29,026	$ 9,459	$ 4,106	$ 93,741	$ 3,833	*$ 78,867
Prev. surplus	85,499	114,525	123,983	128,089	221,830	225,663
	$ 114,525	$ 123,984	$ 128,089	$ 221,830	$ 225,663	$ 146,796
†Rate % earned on common	8.26	6.27	6.12	8.67	6.11	5.5‡

*Deficit.
†After appropriation for "Bad Debts."
‡After taxes and depreciation.

SERVES MINING AREAS OF NORTH

Question Is Asked: Will This Company Go Into Big Insull Power Deal?

(Northern Ontario Light, Heat and Power)

Northern Ontario Light and Power Company is enjoying renewed prosperity. Following the slackening down of many of the big Cobalt companies, there was an ease-up in the amount of power and air demanded by the mines. Now, however, with South Lorrain coming to the front rapidly and with new operations springing up steadily, and with Gillies Limit also coming to the front the outlook is decidedly bright. This company, and in fact Cobalt as a mining camp is different from any other camp, inasmuch as the company distributes air to the mines to operate their drills, while in the other camps each of the mines operates its own compressors.

The company's plant at Ragged Chutes will generate about 5,000 h.p. in air, while it has another on the Matabitchouan. At Hound Chutes it has a plant developing 4,000 h.p., and also a large electric plant on the Matabitchouan and another at Fountain Falls. It supplies Cobalt, Haileybury, New Liskeard, Englehart and Charlton with power besides looking at the mines of South Lorrain, Cobalt and Kirkland Lake and other nearby mines.

This company is a Fasken enterprise and will likely figure in any deal which may be the outcome of the negotiations with the Insull's of Chicago for the purchase of the Fasken power interests.

Capitalization—

	Authorized	Outstanding
Common . . .	$5,000,000	$4,585,000
Pref. 6% . . .	2,500,000	2,400,000

Funded Debt—

First mortgage 6% 20-yr. gold bonds, due 1931, $4,506,500.

Dividend Record—

Preferred dividends were paid regularly at rate of 6% per annum from Jan. 1, 1912, to and including Jan. 15, 1921; 3% paid in 1923, payments semi-annually, Jan. and July. No dividends paid on common.

Officers and Directors—

David Fasken, K.C., president; F. O. Blackwell, C. E., vice-president; A. Fasken, K.C., O. B. Wilcox, Edwin Hanson, W. H. Brouse, G. R. Hulme, Irving Bonbright, D. G. Allan, general manager.

Profit and Loss

	1918	1919	1920	1921	1922
Gross earnings	$ 891,935	$ 814,354	$ 874,520	$ 727,589	$ 822,097
Oper. expenses and taxes	268,016	273,016	335,952	282,677	299,034
Net earnings	$ 623,919	$ 541,338	$ 538,568	$ 449,912	$ 523,063
Other income	16,116	20,772	34,907	* 13,844	64,425
	$ 640.035	$ 562,110	$ 573,475	$ 458,756	$ 587,488
Bond interest	276 360	275,190	275,190	271,113	270,390
Pref. dividends	142,968	142,968	142,968	......	......
Dep. and other reserves	200,000	125,000	250,000	175,000	300,000
Surplus	$ 20,707	$ 18,952	†$ 94,682	$ 12,643	$ 17,098
Rate % earned on pref.	6.51	6.74	..	0.33	0.71

*—Includes adjustments, exchange charges, etc.
†—Deficit.

Marconi Wireless Telegraph Company

Profit and Loss—

	1918	1919	1920	1921	1922
Profits	$ 138,648	$ 170,562	$ 69,906	$ 12,253	$ 22,251
Depreciation	18,217	52,645	55,449	*95,988	7,383
Balance	$ 120,431	$ 117,917	$ 14,456	†$ 83,735	$ 14,868
Written off	....	....	....	....	254,287
Bal. org. exp.	....	....	....	....	10,109
Bad debts	....	....	....	40,000	....
Fire loss	....	15,000	....	....	....
Special exp.	....	....	....	29,627	....
Int. on allow.	25,058	786	....	....	....
Balance	$ 95,374	$ 102,131	$ 14,456	† 153,362	† 249,528
Prev. balance	198,413	293,787	395,918	410,375	257,012
Balance	$ 293,787	$ 395,918	$ 410,374	$ 257,012	$ 7,484

*Including amortization of patents.
†Deficit.

CAN INCREASE ITS POWER DEVELOPMENT

Laurentian Power Not Utilizing All of Power That it Controls

(Laurentian Power Company)

While earnings of Laurentian Power are on a basis that gives protection to the bondholders, this company is not getting the full advantage of its power development, because it has not yet been able to contract for the sale of its entire output. It has a power plant near Quebec city that is capable of developing 18,000 h.p. and that can be increased by the addition of another unit to 24,000 h.p. But not all of this is being sold. The company is selling 10,000 h.p. to the Quebec Railway, Light, Heat and Power Company on satisfactory terms. The bonds are selling at several points advance upon the issue price of 88½ in 1921.

Capitalization—

	Authorized	Issued
Common stock . .	$2,000,000	$2,000,000
7% cumulative pref. stock . . .	350,000	350,000
1st mtg. 6% bonds	2,000,000	1,373,100

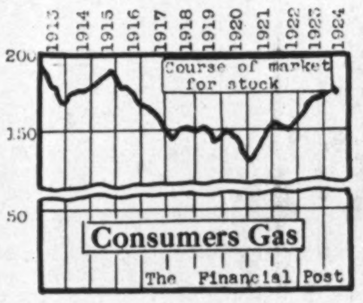
(Of the $1,373,100 of bonds issued $317,100 are held in escrow to redeem a like amount of underlying 5% bonds due 1931.)

Earnings

Gross and net earnings for the four years ended March 31, 1923

	1920	1921	1922	1923
Power sales	$199,901.97	$219,999.96	$220,000.00	$199,800.58
Operating expenses	38,936.84	47,600.67	49,705.69	46,791.19
Operating revenue	$160,965.13	$172,399.29	$170,294.31	$153,009.39
Other income	856.72	587.95	1,061.78	1,470.78
	$161,821.85	$172,987.24	$171,356.09	$154,480.17
Bond interest	80,785.00	80,703.32	78,302.50	80,436.85
Net before govt. taxes and depreciation	$ 81,036.85	$ 92,283.92	$ 93,053.59	$ 74,043.32

CONSUMERS GAS — The Fixed Return Investment



Consumer's Gas holds practically a perpetual franchise in supplying gas to the city of Toronto. Under the terms of the franchise the earnings of the company are regulated so as to provide a ten per cent. return to shareholders. In addition the company is allowed to build up a reserve of $1,000,000. The franchise provides that if the schedule of rates in force fails to provide for this surplus and the dividend, the company may increase its gas charge. It also maintains a renewal fund by setting aside yearly five per cent. of the book value of the plant.

The company's rates are regulated in an interesting manner. When its charges and surplus have been taken care of, any amount over that is set aside in a special fund and when this latter fund equals five per cent. per 1,000-ft. on the gas consumed then the company is obliged to reduce its tariffs. From these facts it can be seen that the dividend rate on the stock has no influence on its fluctuations. It is a pure investment stock and the influencing factor in its ups and downs in the market is the prevailing rate of interest.

During the past year some of the shareholders have been a little disturbed by the action of one of the Toronto Municipal candidates who made attacks on the gas company, contending that there should be a reduction in gas. He was going to take the matter of a new audit before the legislature. He got a setback when the City Solicitor declared him out of court and despite the promises to renew later his efforts to make the gas company a vote-getting football. Relations between the company are set forth quite clearly by agreement and this has been clarified by Canadian courts and the Privy Council, so that the company's position is fairly secure. There are indications that despite the agitators, the consumers may soon receive a reduction in the price of gas. The surplus is growing rapidly and should increase materially this year owing to decrease in fuel costs. A year ago the company had some trouble getting coal and imported some from Wales to ensure a good supply.

The company has been steadily increasing its services in keeping with the growth of the city. To take care of expansion programmes, it has from time to time made new stock offerings to shareholders. To-day it has 137,000 customers and is carrying on several important expansion plans in different parts of the city.

To-day the company's production of gas is about 45 per cent. of the output of the Dominion.

It is rather interesting to note that there are now 2,437 shareholders of Consumers' Gas, with 90 per cent. of the total held in Toronto, while 95 per cent. of the shareholders hold less than 100 shares. The growth in the number of shareholders and the increase in the capitalization is shown from the following table:

Year	No. of Shrhldrs.	Shares of $100 par	Average Holdg. per Shrhldr.
1873	219	6,000	27.4
1883	317	10,000	31.5
1893	489	16,000	32.7
1903	664	18,000	27.1
1913	1,599	47,250	29.5
1923	2,437	80,000	32.6

The table of gross and net earnings in a period of years follows:

	Gross	Net
1923	$6,883,353	$1,384,704
1922	6,813,939	1,478,274
1921	7,214,881	1,540,932
1920	6,426,896	1,240,274
1919	5,506,215	965,917
1918	5,095,006	776,665
1917	4,296,349	953,306
1916	3,637,805	919,576
1915	3,440,008	865,380
1914	3,577,982	944,949
1913	3,203,310	841,981
1912	2,464,368	718,134
1911	2,214,873	697,006
1910	2,070,691	754,760
1909	1,737,000	604,083
1908	1,587,362	556,822
1907	1,363,400	455,360
1906	1,241,830	500,952
1905	1,095,650	412,259

Capitalization—

	Authorized	Outstanding
Common . .	$12,000,000	$8,000,000

Funded Debt—

None.

Dividend Record—

1848 to 1857, 10%; 1858 to 1873, 8%; 1874 to 1923, 10%.

Officers and Directors—

A. W. Austin, president; W. Francis, K.C., A. H. Campbell, Lt.-Col. J. F. Michie, F. Le M. Grasett, M.D., L. Goldman, W. Mulock, K.C., Mayor of Toronto, F. G. Osler, T. H. Wood, Arthur Hewitt, general manager; John J. Armstrong, secretary.

Market Record—

	High	Low
1912	196	189
1913	191	165
1914	180	169
1915	185	176
1916	176	160
1917	165½	147
1918	153	144½
1919	152	138
1920	150	125
1921	* 75	* 65
1922	†160	* 72
1923	163	150½

*Quotation "Dollars per share" instead of "percentage."
†New stock of $100 par.

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross income	$ 5,095,006	$ 5,506,215	$ 6,426,896	$ 7,214,882	$ 6,813,940	$ 6,883,353
Oper. expenses	4,318,341	4,540,297	5,186,622	5,673,949	5,335,666	5,498,649
Net income	$ 776,665	$ 965,918	$ 1,240,274	$ 1,540,933	$ 1,478,274	$ 1,384,704
Interest	34,330	57,537	60,592	63,022	51,516	8,586
Plant renewal	490,791	499,446	513,903	543,584	565,539	591,002
Dividends	530,644	535,999	536,070	581,338	600,000	689,253
Surplus	*279,100	*127,064	129,709	352,989	261,218	95,862
	$ 776,665	$ 965,918	$ 1,240,274	$ 1,540,933	$ 1,478,274	$ 1,384,704

*Deficit.

Avon River Power Has Completed Its Plant

(Avon River Power Company)

Some new financing has recently been arranged for Avon River Power Company, paying for the cost of a 2,500 h.p. development finished this spring. Avon River Power is in the Annapolis Valley of Nova Scotia and distributes power to a number of towns in that solid and prosperous part of Canada.

The company, like other public utilities in Nova Scotia, is under governmental jurisdiction and is entitled to a return of 8 per cent. on the fair valuation of its property. The valuation given by the Public Utilities Commission is such that the company is allowed earnings that will pay bond interest twice over.

Capitalization—

	Authorized	Issued
Bonds	$600,000	$250,000
Preferred	250,000	
Common	250,000	225,000

Directors—

W. H. Chase, Wolfville, N.S., president; G. W. Hensley, Halifax; R. A. Jodrey, Wolfville; C. H. Wright, Wolfville; T. B. Akins, Windsor.

STILL AT DEADLOCK ON WIRELESS PACT

Marconi and British Postmaster General Have Not Solved Their Problems Yet

(Marconi Wireless Company of Canada)

At the present time the outlook for shareholders of the Marconi Wireless Company of Canada is not very bright. The company has not been able to earn any substantial profits on its present basis. Great hopes were placed in the arrangement with the British Post Office for the establishment of an all red chain of wireless stations around the Empire, the Canadian section which would be operated by the Canadian Marconi. But these plans have fallen through for the moment and a dead-lock exists between the British Post Office and the Marconi Company as to the terms of the arrangement.

Last year the control of the Marconi Wireless Company of Canada was solidified in English hands when a large block of stock that had been held by the Canadian General Electric Corp. was sold to the Marconi Wireless Company of Great Britain.

During the period of the war the company was virtually under control of the Admiralty and heavy claims for compensation and damages have not yet been settled. All in all, there is little certainty of dividends ahead of the shareholders. Recent quotations for the stock have been 65 cents to $1 a share, the par value being $2.50.

Marconi Wireless Company of Canada operates ten stations on behalf of the Newfoundland government and 22 stations in Eastern Canada and Newfoundland for the Canadian government. It also owns and operates two high power stations at Glace Bay and Louisburg for transatlantic service. It has a factory in Montreal for the manufacture of wireless apparatus, radio sets, etc., which has been providing a goodly portion of its income recently.

Capitalization—

Authorized	Outstanding
$7,500,000	$6,000,000

(Shares $2.50 each)

No funded debt.

Dividend Record—

None.

Officers and Directors—

C. G. Greenshields, K.C., president; A. E. Dyment, vice-president; R. Bickerdike, vice-president; Senatore G. Marconi, G.C.N.O., vice-president; G. M. Bosworth, H. H. Allan, G. C. Isaacs, Dr. M. L. Harvey, H. M Short, general manager; A. L. W. MacCallum, manager; J. P. Fleming, comptroller and acting secretary.

Harnessing the
White Horses
of our waters~

The investor whose money makes possible the transformation of idle water power into active, profitable electric energy, benefits not only himself, but the nation as well.

For developed water power is the key to the expansion of our other industries, and the successful exploitation of the resources of our forests and mines. It is the magnet which attracts to Canada many new industries which bring in their train increased population and prosperity.

Having played the pioneer part in the financing of many water power developments, we are to-day more than ever convinced that in no other way can the future prosperity of Canada be better promoted and in no other class of security can equal safety be obtained than by the purchase of Water Power Bonds.

"INVESTMENTS"

is the title of a bulletin we issue every month giving valuable information on current financial topics, company analysis and quotations representative of Canadian issues. Write us and we will put your name on our mailing list.

Partial List of Water Power Companies whose securities we have sponsored:

Southern Canada Power Company, Limited
Dominion Power and Transmission Company, Limited
Manitoba Power Company, Limited
Winnipeg Electric Company
East Kootenay Power Company, Limited
Great Northern Power Company, Limited
Ottawa & Hull Power Company, Limited
Ottawa River Power Company, Limited
Laurentian Power Company

NESBITT, THOMSON & COMPANY
LIMITED
305-7 Bank of Hamilton Bldg., Toronto
Montreal Hamilton Winnipeg London, Ont.

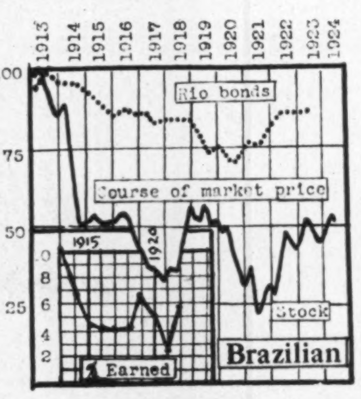
BRAZILIAN — Our Greatest Foreign Investment

There are indications that Brazil is going to change her methods of the past, improve her government policy, particularly in regard to the collection of taxation, to the end that her financial position in the world may be improved. This is one of the results of the recent visit of a British financial mission. Brazilian bonds have dropped in popularity because of the inability of the country to meet her commitments. This inability was due to mismanagement of the country's affairs.

The situation which has existed has had a depressing effect on Brazilian exchange with the result that Brazilian Traction has suffered severe losses over the exchange situation, while the uncertainty of the situation has been more or less responsible for the wide fluctuations in the stock. From time to time doubts arose as to the wisdom of continuing the common dividends when it was costing the company so much in profits to take care of the exchange on the dividend funds.

The pending change in governmental methods cannot but work for the betterment of the Brazilian company. When milreis improve the company will benefit. Exchange works both ways for the company. Forty per cent. of its earnings are payable in gold and on this income there is an exchange profit. However, this only makes up for a proportion of the loss on the other sixty per cent., which is payable in milreis. The major portion of the company's funds are brought out of the country as practically all supplies are purchased in the Dominion and the dividends are payable in dollars.

In the matter of earnings, 1924 continues to reflect an improvement in the company's position. The gross for the first quarter of the present year shows an advance of half million milreis over the gross for the same period of 1923. Operating costs are also higher, but not in proportion to the increase in earnings, with the result that the increase in net earnings is nearly a quarter million mil reis.



During the past year there was quite a little flurry in Brazilian stock. It was stated that Montreal interests were out to secure control from London. This was denied, but certainly there was heavy buying and when the stock got over the fifty mark, London proved quite a willing seller for a time.

Gross Earnings—

	1923	1924
	Milreis	
January	2,025,480	2,128,185
February	1,952,529	2,200,534
March	2,069,958	2,240,271
	6,047,967	6,568,980

Net Earnings—

	1923	1924
	Milreis	
January	1,267,309	1,345,070
February	1,248,141	1,324,472
March	1,328,053	1,406,727
	3,843,503	4,076,269

Capitalization—

	Authorized	Outstanding
Common	$110,000,000	$106,581,000
Pref. 6% cumulative	10,000,000	10,000,000

Funded Debt of Subsidiaries—

Rio de Janeiro Tram, Light, Power bonds, 5%, 1st mortgage, due 1935	$25,000,000
Bonds 5% mortgage, due 1958	24,184,817
Sao Paulo Tram., Light, Power, mortgage debentures, 5%, due 1929	6,000,000
Perp. cons. debenture stock	3,999,996
Sao Paulo Electric, first mortgage bonds 5%, due 1962	9,733,333

Dividend Record—

Calendar year	Pref.	Com.
1912	.%	1½%
1913	6	6
1914	6	6
1915-16	6	4
1917	6	1
1918-21	6	..
1922	6	2
1923	6	4

Officers and Directors—
Sir Alex. Mackenzie, E. R. Wood, H. M. Hubbard, Miller Lash, H. F. Parshall, Clarence Dillon, Sir T. White, R. C. Brown, E. R. Peacock, D. B. Hanna, R. M. Horne-Payne, Sir H. M. Pellatt, Hon. F. H. Phippen, Sir John Aird, J. H. Smith, secretary; A. W. Adams, treasurer.

Market Record—

Year	Common High	Common Low
1912	99¼	85
1913	101	80⅛
1914	92	53½
1915	59½	53
1916	62⅝	41½
1917	47¾	31¾
1918	60¼	32
1919	61	50
1920	51¼	28
1921	36	19¾
1922	50¼	27⅞
1923	53	35½
1924 to date	53⅞	41¾

Profit and Loss—

	1918	1919	1920	1921	1922
Revenue	$6,122,412	$8,500,234	$7,036,824	$4,410,057	$7,422,897
Other revenue	130,051	376,771	206,619	127,657	450,064
Bal. forward	3,043,368	7,613,041	2,587,008	3,082,131	5,719,813
	$9,295,831	$16,490,046	$9,830,451	$7,619,845	$13,592,774
Charges	158,244	139,732	313,782	166,465	185,840
Interest	674,546	663,305	674,537	833,568	535,153
Reserves	....	12,300,000	4,900,000	....	3,000,000
Amortization	250,000	200,000	260,000	300,000	300,000
Dividends	600,000	600,000	600,000	600,000	2,731,511
Surplus	7,613,041	2,507,008	3,082,131	5,719,813	6,840,270
	$9,295,831	$16,490,046	$9,830,451	$7,619,845	$13,592,774

Western Quebec Power Involved In Merger

(Western Ontario Power Company)

Because the Hawkesbury Electric Light and Power Company and the Western Quebec Power Company are now being amalgamated in a single company, this issue cannot give their financial record. It would not be of great significance.

These two companies are closely connected in the Ottawa Valley and supply power to a number of Quebec and Ontario towns.

The amalgamation of the two companies is being effected to the end of aiding in the development of the lower Ottawa Valley along the lines of the Eastern Townships of Quebec where the Southern Canada Power Company has been a distinct factor in the district's progress.

Western Quebec Power Company met with an accident at one of its dams last winter which necessitated postponement of interest payments for 90 days in order to conserve liquid resources for the reconstruction work. However, the securities of the company did not suffer, for the amalgamation that was pending helped to hold up the market. Hawkesbury Electric Light and Power Company was purchased last year by the Nesbitt Thomson group who are behind the present merger.

EXPANSION OF COAST UTILITY SERVICES

(British Columbia Electric Railway)

Canadian investors do not know the British Columbia Electric Railway very well. This is an organization financed by British investors that has done a great deal to build up the cities of Vancouver, Victoria and New Westminster and adjoining communities in British Columbia. The company is highly regarded by British investors. A recent offering of $3,500,000 of debentures was over-subscribed twenty-four times. It is said that subscriptions totalled about $85,000,000.

The money raised by this debenture issue was required for expansion of the corporation's activities, which are already extensive. The company has developed 158,100 h.p. of energy at seven plants. It operates 292 miles of transmission lines and has 82,182 light and power customers. Its electric railway system in Vancouver, Victoria and on inter-urban routes totals 376 miles, and in 1923, 67,400,000 passengers were carried. Its gas plants serve 24,500 customers and in 1923 produced 666,000,000 cu. ft. of gas.

Capitalization—

	Authorized	Outstanding
Cumulative Perpetual Pref. 5%	£1,440,000	£1,440,000
Non-cum. pref. ordinary 5%	£1,440,000	£1,440,000
Deferred ordinary	£1,440,000	£1,400,000
Shares £1 each	680,000	

Funded Debt—

Debentures 4½% 1st Mortgage	£ 199,600
Debentures 4½% Van. Power	£ 101,300
Debenture stock, 4¼%	£2,788,170
Perpetual Consolidated, Vancouver Power Subsidiary Debenture 4¼% guar.	£1,500,000

Dividend Record—

Year	Cum. Perp. Pref.	Non.-cum. Pref. Ord.
1918	5%	..
1919	5	5%
1920	5	£4 13 0
1921	5	£4 13 6
1922	5	£4 13 8

Deferred ordinary paid 3% and bonus of 3% 1919; £6 4s. in 1920; £6 4s. 2d. in 1921, and £6 4s. 8d. in 1922.

Officers and Directors—
R. M. Horne-Payne, chairman; T. B. Brown, H. G. Brown, Sir. E. Harvey, G. P. Norton, J. Davidson, Sir. F. Barnard, George Kidd, president; W. G. Murrin, A. J. Goward, vice-president, Victoria.

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Income	£ 383,300	£ 530,328	£ 609,363	£ 622,903	£ 622,700	£ 599,221
Deprec., etc.	167,999	154,727	164,745	149,712	152,354	136,825
Interest	132,555	132,447	132,339	132,231	132,123	132,015
Dividends	72,000	108,000	202,065	204,197	211,355	267,394
Other deduct.	11,694	12,581	32,291	51,914	61,113	45,923
Surplus	*£ 948	£ 11,866	£ 77,923	£ 84,849	£ 65,755	£ 43,336

*Deficit.

Market Record

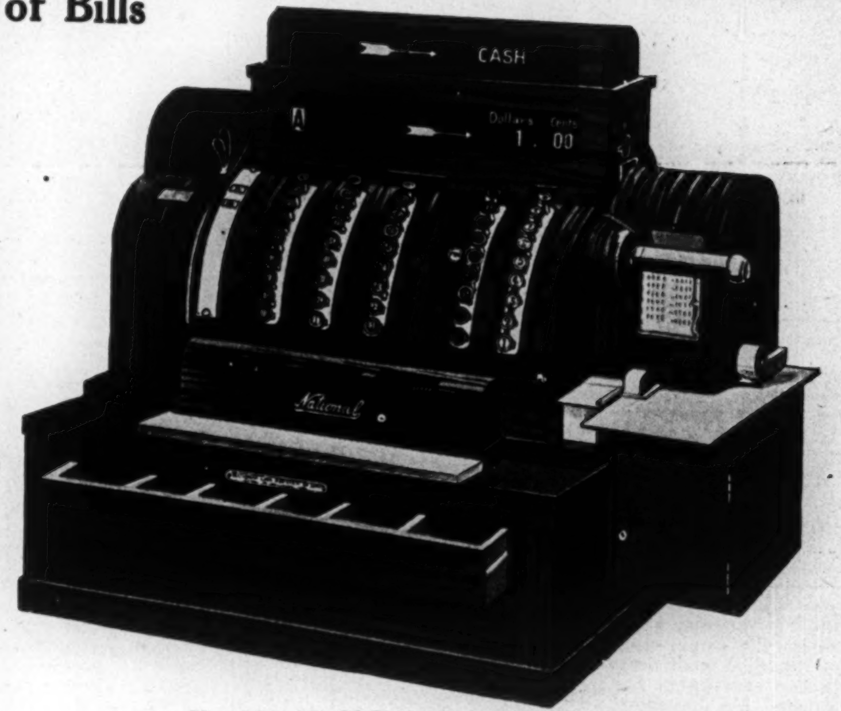
	Def. Ord. High	Def. Ord. Low	Pref. Ord. High	Pref. Ord. Low	Cum. Pref. High	Cum. Pref. Low
1913	144½	111	125	102	109¾	98½
1914	125	104	111	100	107	98
1915	79	30	90½	25	89¾	50
1916	62	35	68½	34½	74½	50⅝
1917	40½	25	46⅞	28	64⅞	38
1918	48	24	52½	27¾	68	41
1919	54¾	31	56½	35⅞	66½	53¾
1920	60	40	62	45	65	51
1921	60	47½	58½	49⅛	61	53¼
1922	91	57	78½	53⅝	83½	59
1923	101	87	88	74	90½	75¾
1924*	106	97½	89½	82	89½	82

*To date.

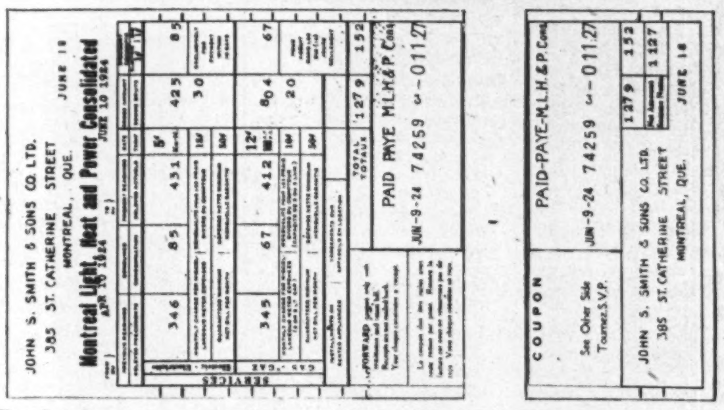
Positive Control of Collections for Public Utilities

Montreal Light, Heat and Power Consolidated use National Cash Registers Exclusively in their Collection Department for the Recording and Payment of Bills

Photo shows teller operating National Cash Register at the office of the Montreal Light, Heat and Power Consolidated



No. 923 (3)-V-E National Cash Register



JOHN S. SMITH & SONS CO. LTD.
385 ST. CATHERINE STREET
MONTREAL, QUE.
Montreal Light, Heat and Power Consolidated
JUNE 18
PAID PAYE M.L.H.&P. Cons
JUN-9-24 74259 — 011.27
COUPON
See Other Side
Tournez S.V.P.
PAID-PAYE-M.L.H.&P. Cons
JUN-9-24 74259 — 011.27
JOHN S. SMITH & SONS CO. LTD.
385 ST. CATHERINE STREET
MONTREAL, QUE.
JUNE 18

Receipt for customer, with record for office furnished in one operation.

"One Cashier has Handled 1200 Payments in One Day"

Handling customers' payments has become a very simple matter to the **Montreal Light, Heat and Power Consolidated** since installing the **National Cash Register.**

When the bill is handed to the cashier, but one operation is necessary, the bill is placed in the machine, which stamps both parts and separates them, the record of the day's transactions is locked in the machine, which can only be unlocked by the chief accountant.

He states:

> "One cashier has handled as many as 1,200 payments in one day—if this had occurred under the old system he would have been there all night to balance his cash."
>
> "Formerly it was necessary for the cashier to close up as early as 3.30 p.m. in order to list his stubs and check up, errors creeping in and causing endless trouble. With the **National Cash Register** the stubs are kept in the machine until the cash is balanced, which is done in about 5 minutes."
>
> "We have had these machines for four years, and would not consider using any other system, they are giving complete satisfaction."

RESULTS SECURED

1. Protects original entry
2. Prevents disputes
3. Quicker service
4. Reduces overhead
5. Stops mistakes
6. Quick balance

Other Canadian Public Utility Corporations that are using the National Cash Registers:

British Columbia Telephones—Vancouver, B. C.
British Columbia Electric Railway—Vancouver, B. C.
Northwestern Utilities—Edmonton, Alta.
Light & Heat Commission—Guelph, Ont.
Hydro-Electric Commission—St. Catharines, Ont.
Ottawa Gas & Electric Co.—Ottawa, Ont.
Ottawa Light, Heat & Power Co.—Ottawa, Ont.
Montreal Water & Power Co.—Montreal, Que.
Quebec Light, Heat & Power Corp.—Quebec, Que.
Public Service Corporation—Quebec, Que.
New Brunswick Telephone Co.—St. John, N. B.

The National Cash Register Company of Canada Limited

Toronto, Canada

Offices in All the Principal Cities of the World

BARCELONA — Canada's Interest in Spain

Barcelona Traction has many serious problems facing it which must be worked out. Some of these relate to conditions in Spain, while others relate to conditions within the company. These problems are and have been receiving the attention of the officers and directors, but are bound to take considerable time to work out. Reorganization plans are under way. Details relating to these are given elsewhere.

The matter of betterments and rehabilitation has been quite an important one for the company during the past year. Last year the company spent 4,000,000 pesetas on extensions and additions to its holdings and entered the present fiscal year with plans to spend an additional 8,000,000 pesetas. These extensions are in the power department and the hope is that when they are completed they will take care of all new power demands for the next few years.

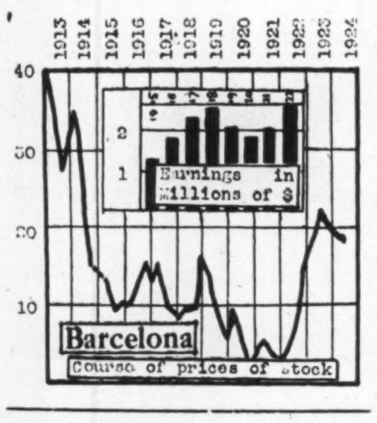
High operating costs and jitney competition have not had the best of effects on the railway end. The gross revenue of the old Barcelona railway has stood fairly well, but the lines have been deteriorating and are now being rebuilt out of earnings.

The Tramways Company, a subsidiary, has been doing well, but has not maintained its extensions and betterments in keeping with the demand for service and this has resulted in the development of jitney competition. Rather a good stroke of business was the action of the company during the past year in absorbing its chief Barcelona competitor, Energia Electrica de Catalona. The control of this was secured through the purchase of a new stock offering.

As to the changes within the company, these have not as yet been made. London and Belgian interests have been working on plans for a couple of years. A subsidiary company was promoted in Belgium, Societe Internationale Hydro-Electrique, to purchase shares of the various Barcelona enterprises and take them off the market. The prime object in this was to keep them from falling into unfriendly hands who, it was suspected, were active in picking up the securities. Bonds to a large amount, and control of the preferred share are already in hand, but no figures have been given out as to the position of the common shares. Some inkling of the position of the common has been given however, by a proposal that the amount of common outstanding, $30,000,000, should be cut in two, and the $15,000,000 placed in the treasury. With only $15,000,000 out it would be more easy to get control of the common shares.

The European situation has had quite an influence on Spanish exchange with the result that this has more or less handicapped the company.

In the matter of earnings Barcelona is making a good showing this year. Gross earnings are close to 1,500,000 pesetas higher than for the first four months of 1923. In the same period also there has been a material drop in operating costs with the result that the net income for the first four months shows an increase of over 2,000,000 pesetas. The figures follow:



Gross Earnings—

	Pesetas 1923	Pesetas 1924
January	4,855,464	4,999,096
February	4,495,111	4,937,626
March	4,329,771	4,832,197
April	4,264,756	4,546,660
	17,945,102	19,315,579

Net Earnings—

	Pesetas 1923	Pesetas 1924
January	2,269,309	3,289,305
February	1,998,656	3,058,232
March	2,424,780	2,799,096
April	2,766,656	2,677,049
	9,459,401	11,823,682

Capitalization—

	Authorized	Outstanding
Common	$30,000,000	$27,450,000
Pref. 7 per cent. Non-cumulative	12,500,000	8,483,500

Funded Debt—

First mortgage bonds. 5%, due 1974	£10,500,000	£ 7,535,940
Prior lien "A' 'bonds 7%, due 1965	£ 2,000,000	£ 1,656,825
Prior Lien "B" bonds due 1965	£ 3,000,000	£ 2,000,000
Held by the trustees for the issue of 8% secured debentures		£ 2,000,000
Secured debentures 8 per cent. due 1941	£ 1,100,000	£ 1,070,900
Income bonds 5½%	£ 2,372,135	£ 707,932

Dividend Record—
None.

Officers and Directors—
E. R. Peacock, president; H. Malcolm Hubbard, R. C. Brown, Miller Lash, Marques de Alella, Enrique Parellada, Domingo Sert, Condo de Torroella de Montgri, E. R. Wood, C. D. Magee, A. W. Burchard, J. H. Plummer, E. A. Macnutt, Alfred Loewenstein, Maurice Bauwens, R. H. Merry, Sec.-Treas., T. Porter, Asst. Sec.

Market Record—

Calendar Year	Common High	Common Low
1912	—	—
1913	41	25⅛
1914	35⅛	15½
1915	12¾	7¼
1916	17	8½
1917	14¼	8⅛
1918	15½	8¾
1919	13¼	5¾
1920	9¾	3¼
1921	5⅞	3
1922	15⅞	3¼
1923	22	12½
1924 to date	19⅝	12⅞

Profit and Loss—

	1918	1919	1920	1921	1922
Revenue	$1,299,779	$1,783,296	$1,998,878	$2,065,537	$2,575,465
Expenses	69,642	147,786	188,893	160,936	340,241
Bond interest	503,803	1,079,232	1,232,316	1,307,846	1,496,866
Int. on mtge. bonds	422,236	723,837	731,169	753,627	715.272
Int. on loans	91,474	77,226	25,890	....	....
Depreciation	209,788	373,146	52,497	....	....
Balance	2,836	*618,031	*231,887	*156,872	23,086
	$1,299,779	$1,873,296	$1,998,878	$2,065,537	$2,575,465

*Deficit.

WEST KOOTENAY CO. IS "SMELTERS" UNIT

Company Supplies Power to Mining and Fruit Centres of British Columbia

(West Kootenay Power Company)

Originally financed by Charles R. Hosmer and a few of his associates, the West Kootenay Power Company was some time ago taken over by the Consolidated Mining and Smelting Corporation and is now an active subsidiary of that highly successful mining corporation of British Columbia. West Kootenay develops and supplies power throughout Southern British Columbia. It supplies much energy to the various mines and smelters in that province and also supplies light and power to the fruit growing districts of the Okanagan Valley. The entire amount of the common stock and most of the preferred is in the hands of "Smelters." The interest of the investment public in the corporation is through the bond issues.

During 1923 earnings were down somewhat from the figures of the previous year due chiefly to the falling down of the fruit selling organization formed in the Okanagan Valley and to the failure of the copper mines in the district to resume operations on account of the low price for copper.

During the year work was started on the Bonnington Falls extension of the company, although there have been preliminary delays due to the shortage of labor. At Bonnington Falls on the Kootenay River the company controls water power aggregating 126,000 h.p., of which 40,000 h.p. is developed and in operation. Last year a bond issue of a million and three-quarter dollars was sold to pay in part for the completion of construction work for additional 20,000 h.p., making the total development 60,000 h.p.

Upon completion of the total 60,000 h.p. development the company will be in the unique position of having a bonded debt per h.p. of less than $52.

	Authorized	Outstanding
Common	$5,000,000	$3,212,000
Preferred 7%	500,000	500,000

(The Consolidated Mining & Smelting Co. owns the entire common stock).

Funded Debt—

First mortgage, 6%, due 1940	$1,500,000	$1,113,493
General Mortgage, sinking fund gold, 6%, due 1943		1,750,000
Cascade Water, Power & Light Co. bonds, 4½%, due 1940.		203,000

Dividend Record—
Preferred dividends have been regularly paid. Dividends at the rate of 2½% per annum paid on common from Dec. 1903 to Sept. 1912; Dec. 1912 to Sept. 1913, 4% per annum; years 1914 to 1916 inclusive, 5% per annum; 1917, 7½%; 1918, 8%; 1919, 8%; 1920, 8%; 1921, 8%; 1922, Jan. and April, 2% each, passed July 1922 and since.

Officers and Directors—
C. R. Hosmer, president; L. A. Campbell, vice-president, and general manager, J. J. Warren, managing director, W. R. Baker, C.V.O., G. F. Benson, E. Hanson, Hon. W. J. Shaughnessy, F. E. McNally, sec-treas.

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross	$ 614,819	$ 616,876	$ 794,101	$ 767,709	$ 746,441	$ 690,574
Interest	17,563	10,743	27,288	23,298	25,680	....
Expenses	181,891	171,620	235,412	205,430	194,267	211,839
Bond int.	90,000	90,000	138,000	103,500	103,500	88,334
Other int.	4,395	7,500	12,359	6,406	9,599	....
Deprec.	93,274	98,281	291,343	291,994	287,047	284,264
Written off	....	....	15,734	4,627	1,440	30,514
Sinking fund	14,400	14,400	....	33,843	35,843	37,984
Adjust.	196	133	....	6,185	....	....
Balance	$ 213,100	$ 224,210	$ 128,541	$ 139,021	$ 140,126	$ 37,637
Dividends	183,000	208,414	351,140	286,710	163,480	35,000
Surplus	$ 30,100	$ 15,796	*$ 222,599	*$ 147,689	*$ 23,255	$ 2,637

*Deficit.

Now 26,000 Subscribers on N.B. 'Phone System

(New Brunswick Telephone Company)

While the New Brunswick Telephone Company is not part of the system of the Bell Telephone Company of Canada, there is nevertheless a close working relation with the latter and the New Brunswick Telephone Company may be regarded as a part of the greater Bell system.

The earnings of New Brunswick Telephone have been steadily increasing and while the cost of operation and material has kept pace with the increased earnings, the company has been able to set aside the necessary amount for depreciation, pay dividends, and leave a small surplus. Notwithstanding the fact that 1923 was the third successive year of business depression, the material growth of the company was satisfactorily maintained and at the end of the year the number of telephones in use was just short of 26,000. It is interesting to note that there are now 2,000 shareholders resident in all parts of New Brunswick. The company is steadily expanding and considerable new development work takes place from year to year.

Capitalization—

Bonds	$ 35,500
Capitalization	2,831,390

Income Account—

	1923	1922	1921
Gross rev.	$1,122,427	$1,078,092	$1,064,529
Oper. ex.	892,424	868,798	894,956
Net rev.	230,002	209,294	169,573
Int. on bonds	3,154	1,937	2,043
Divids.	211,105	204,994	190,411
Surplus for year.	15,743	2,437	14

WHAT WILL TORONTO "RAILS" BE WORTH?

Discussion of Possible Return to Investors When Final Price Wrangling Is Over

(Toronto Railway Company)

Toronto Railway is to-day in the position of a holding company and will likely continue so until a complete settlement is arrived at with the City. At the present time interest in the company is focused on the appeal of both the city and company against the award of the arbitration board's in its valuation of the Toronto Street Railway and the subsequent court decision which made a reduction in the award. The hearing of this appeal is expected to take place in London shortly. This decision, once given, will clear up the situation for a partial settlement at least and a disbursement to the shareholders might then be expected in a reasonably short time. Remaining will be the question of interest. This will likely go to the courts. The question is the time when the interest on the award is to start. The company claims that it should date from the time that the property was taken over by the City.

The company still has a number of properties on its hands. There are those which the arbitrators did not think necessary for the proper operation of the railway and others which were set aside by the courts on the appeal of the city against the award. Just what properties the company will have to dispose of will not be known until the Privy Council decision is given.

With all these doubts, it is easily seen that the difficulties in the way of arriving at the assets behind the shares are many. If the company wins out on all points it has been figured that the ultimate value of the shares should be around $115. If the Privy Council does not change the award the value will be around $108 to $110. As the company has $1,000,000 surplus and as the other assets on hand should increase this about $12 per share, those who conservatively place the lowest possible value of the shares at just above par, seem to be well within the bounds of possibility.

Capitalization—

	Authorized	Outstanding
Common	$15,000,000	$12,000,000

Funded Debt—

Bonds 4½	4,550,000	2,274,360

First mortgage, sinking fund, due Aug. 1921.

Dividend Record—

Year	each yr.
1895-7	3%
1898-1901	4
1902-5	5
1906-8	6
1909-10	7
1911	7¼
1912-17	8
1918	5
1919	1

A stock dividend of 12½% was paid Aug. 25, 1911.

Officers and Directors—
Sir Henry Pellatt, Hon. C. P. Beaubien, Montreal; E. R. Wood, G. H. Smithers, F. W. Ross, Hugh MacKay, K.C., Montreal, and H. H. Pitts, Ottawa, J. C. Grace, sec.-treas.

Market Record—

	High	Low
1912	150¾	131
1913	148¾	132
1914	144¾	110
1915	117	111
1916	111	72
1917	90⅛	58½
1918	63	58
1919	55	39
1920	65	35
1921	80	58¾
1922	98⅛	60¾
1923	95	73½
1924	92	80

Profit and Loss—

	1919	1920	†1921
Gross earn.	$7,234,895	$7,909,892	$5,130,431
Oper. exp.	5,655,658	6,626,508	4,782,490
Net earn.	$1,579,237	$1,283,384	$ 347,941
Fixed chgs.	1,467,168	1,602,027	1,279,408
Dividends	.....	....	....
Cost of paving	98,794	98,782	65,832
Surpl's	$13,274	*$ 417,426	*$ 997,299

†For eight months to Aug. 31, 1921, being end of franchise. *Deficit.

INSULLS EXPECTED TO BUY COMPANY

Looking for Deal For Sale of Northern Canadian Power Co. to Chicago House

(Northern Canada Power Company)

Northern Canada Power has been considerably in the limelight of late. In the first place its long drawn out battle in the courts with the Hollinger Gold mines, first over the shortage of power and then on the question of whether or not the company had a perpetual agreement with the Hollinger mine to supply power for its lifetime, focused attention on it. Lately it has been watched because of the story recently published in THE FINANCIAL POST that, Insull interests in Chicago were negotiating to purchase the Fasken power interests which include this and the Northern Ontario Light and Power which supplies Cobalt, Lorrain, and Kirkland Lake camps. Interest in this announcement was added to by the fact that if the deal goes through there is every possibility of the Hollinger people getting out of the power business and turning over their development, North of Cochrane, to the Insulls. The Insulls by the way are interested in the Sault Ste. Marie Power Co., and are also believed to be strongly interested in the Abitibi Power and Paper Co.

The story was denied shortly after it was made by THE POST, but in the meantime negotiations are proceeding with a fair prospect of their successful consummation. Northern Canada has added materially to its output of late in an effort to keep up with the rapid growth of the mines.

When the power situation was at its worst, McIntyre Gold mines secured a power right on the Mettagami River, which it turned over to McIntyre and since then the company was the successful bidder fo the waterpower at Des Quinze, Que. The company will pay 50 cents extra to the province of Quebec for all power exported to other provinces. The company is building a power line through Kirkland Lake Matachewan and into Procupine so that for a considerable period the power wants of these camps will be looked after.

Capitalization—
Authorized—$6,000,000.
Outstanding—$6,000,000.

Funded Debt—

First gold 6% bonds, due 1928	1,208,000
First sinking fund 6½% bonds, due 1938	4,500,000

Dividend Record—
A dividend of 4% per annum was paid in 1920; none reported since.

Officers and Directors—
David Fasken, president, F. O. Blackwell, vice-president; A. Fasken, secretary; J. H. Black, general manager; James Aitheson, Joseph Wright.

Fifty-Five Years Ago

SINCE 1869 this Bank has been identified inseparably with the development and progress of the Dominion. A Canadian institution, energized and directed by Canadians, it serves every phase of our business and private life at home, and has played no small part in the steady expansion of Canadian trade in foreign markets.

From a small beginning it has grown through sound business principles to a place among the largest and strongest banks of the world.

You will find this Bank a sympathetic factor in your business and private banking.

The Royal Bank of Canada

Resources over $575,000,000

Water Power - the Essential Factor

A DEPENDABLE supply of cheap Hydro-Electric Power is the essential factor in successful manufacturing, and so the growth of Industry is inseparably linked with the wise development of our Water Powers.

Hydro-Electric Power Companies have an assured market—they supply a basic and ever-increasing demand that varies little with seasons or financial conditions, hence their earnings are steady and consistent.

We shall shortly offer to Investors an unusually attractive Issue of the Bonds of a soundly-established Hydro-Electric Company that will serve a prosperous and growing industrial district.

BROWNE, URQUHART & COMPANY
180 St. James Street, Montreal

ERNEST SAVARD, LIMITED
90 St. James Street, Montreal

1

BELL TELEPHONE — Will New "Rights" be Given?

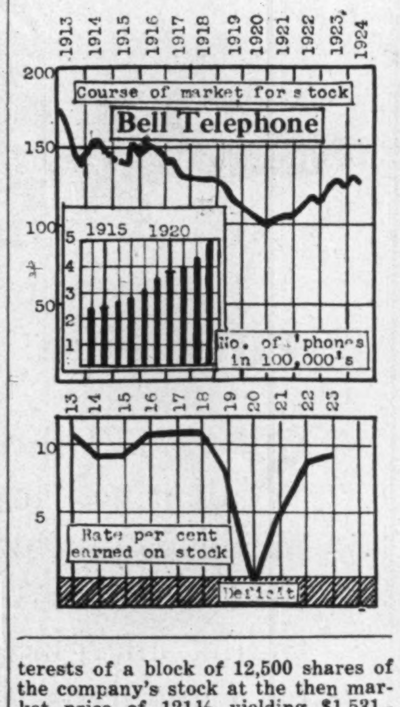
Investment interest in the stock of the Bell Telephone Company seems to centre at the present time in the possibility of the shareholders getting, from time to time, further valuable "rights" of subscription to stock at prices under the market. Expectation of such further rights is based upon the statement of Lewis B. McFarlane, president of the Bell Telephone Co., at the annual meeting of the organization, that about nine million dollars of new money must be raised in each of the next five years to meet the normal needs of the company in new equipment.

Bell Telephone estimates that it will have a net yearly gain during the next five years of 50,000 telephones, or, in all, 250,000 new telephones, which would add fifty per cent. to the present total of installed telephones on the system. As each additional telephone placed in service entails a direct charge to capital, a great deal of new money must be raised. The company always has a certain amount available from depreciation reserve, but new money that must be raised either by the sale of stock or by the sale of bonds will total $9,000,000 a year for the next five years, or a total of $45,000,000. In addition, the company must raise by April, 1925, $16,750,000 to retire bond issues of that amount maturing on that date. This means the Bell Telephone must do financing to the amount of about $60,000,000 in the next five years.

Much of this sum could be raised by the sale of bonds, and it would not be surprising if the Bell Telephone had a bonded indebtedness of twenty-five to forty million dollars within a few years. Nevertheless, it seems certain that new stock will have to be sold to raise capital, and it is likely that the procedure adopted this year of offering stock to the present shareholders at par will be followed. This year the rights granted to the shareholders had a value, as determined by the price they brought in the open market, of around $5 a share, which was equivalent to a dividend bonus of that amount. This year shareholders of Bell Telephone are getting not only their $8 of regular dividend, but this additional $5 or so, making their return very nice.

The point has often been emphasized, and bears repeating here, that each dollar of new capital raised by the Bell Telephone Co. and invested in equipment begins to earn dividends as soon as it is put into service. Thus, the prospect of a great deal of financing, which, in the case of the ordinary industrial corporation might be a depressing factor for the stock is not necessarily so in the case of Bell Telephone Co., and, in fact, the prospect of so much financing is a distinctly favorable factor in view of the fact that out of 16 issues of stock that have been made by the corporation since the original allotment, 13 issues have been sold to the shareholders at well below the market price, four of them in 1902, 1904, 1905, and 1906, at 125, and the remainder at par at various other dates.

Bell Telephone is one of the most interesting of Canadian investments. That its 8 per cent. dividend has been paid continuously since 1886 is evidence of its seasoned strength. Regardless of speculative possibilities the 8 per cent. dividend insures a fair yield to the investor who buys the stock at the present market price.



The sale in June last to British interests of a block of 12,500 shares of the company's stock at the then market price of 121½ yielding $1,531,250 of new capital, is an indication of the high regard in which its securities are held abroad. The list of Bell Telephone shareholders now numbering upwards of ten thousand, three hundred names, includes investors not only in all parts of Canada, but in the United States, the British Isles, Australia, and in many foreign countries.

The development of the company shows very rapid, steady progress from 40,000 subscribers in 1900 to over 486,000 in 1923. In that time the long distance mileage increased from about 21,000 to 107,000 miles, and assets of the company increased from around $7,500,000 to nearly $90,000,000. Since 1886, that is for 38 years earnings have always been well in excess of the 8 per cent. dividend requirements, with the exception of two years, 1920 and 1921.

Capitalization—

	Authorized	Outstanding
Capital stock .	$75,000,000	$39,929,400

Funded Debt—

5 per cent. bonds due April 1, 1925; interest 1st April and October, Montreal or London, $11,250,000; 7 per cent. bonds due April 1, 1925; similar dates and terms of payment, $5,500,000.

Dividend Record—

8 per cent. per annum paid regularly since 1886.

Officers and Directors—

L. B. McFarlane, president; C. F. Sise, vice-president and general manager; K. J. Dunstan, vice-president; W. H. Black, secretary; F. J. Jones, treasurer; E. Palm, comptroller; Hugh Paton, F. W. Molson, W. F. Angus, Geo. Caverhill, George D. Milne, H. B. Thayer, E. K. Hall, Thos. Ahearn, G. H. Thomson, Glyn Osler.

Market Record—

	Stock		Bonds	
Year	High	Low	High	Low
1912	176½	145	104	99¾
1913	173	138	101¼	96
1914	159¼	140	100	97½
1915	159	140	100	96½
1916	152	143	100¼	97
1917	150	129	99½	92¾
1918	132½	128	93½	87¼
1919	133	110¾	96¼	91
1920	111¼	100	93	90
1921	112	99¼	93½	91¼
1922	120¼	103	98	94
1923	128¼	112	99½	99

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross earn.	$12,655,147	$14,367,229	$17,176,864	$18,796,356	$20,454,295	$22,921,590
Oper. exp. etc.	10,550,459	12,213,905	16,295,341	16,519,935	16,484,983	18,044,455
Net earn.	$ 2,104 688	$ 2,153,324	$ 881,523	$ 2,276,421	$ 3,969,312	$ 4,877,135
Interest	562,054	670,208	913,484	1,168,800	1,035,644	1,067,175
Dividends	1,440,000	1,440,000	1,800,010	1,883,630	2,457,740	3,135,920
Employees fund	......	......	......	......	......	200,000
Surplus	$ 102,634	$ 43,116	$x1,831,971	$x 776,009	$ 475,928	$ 474,037
Rate of % earned	10.96	7.60	def.	4.70	9.15	9.5

x—Deficit.

Federal Light & Traction Controls St. John Company

(New Brunswick Power Company)

After several years of fighting between the city and the company, the New Brunswick Company was last year sold to the Federal Light and Traction Company. This is a large public utility holding company in the United States which had no previous important interests in Canada. The move has been followed by a change in sentiment towards the company and the prospects are more favorable than they were.

New Brunswick Power Company operates the power, gas and tramway systems in the City of St. John, New Brunswick. It also controls water powers that have not yet been developed and which are held in reserve.

Capitalization—

	Authorized	Outstanding
Common	$2,000,000	$2,000,000
1st pref. cum. ..	3,500,000	1,000,000
2nd. prf. non-cum.	1,500,000	350,000

Funded Debt—

First gold 5% bonds, due 1937..	5,000,000	1,850,000

Dividend Record—

The company passed its first and second preferred stock dividends, payable Sept. 1, 1918, and dividends on its second pref. payable Dec. 1, 1918. Full dividends were paid on first pref. during 1919, also payment due Sept. 1, 1918, which was paid May 24, 1919, but the dividend due Mar. 1, 1920 was passed. All dividends on first pref. have now been paid to date. On second pref. the payment due Sept. 1, 1918, was made May 24, 1919, and dividends of 1¾% each were also paid June 1, 1919, and Dec. 1, 1919. No dividends have been paid on second pref. since May 17, 1920, making 22¾% passed and unpaid to Dec., 1922. Common dividends are payable only out of surplus earnings from the transaction of business after April 1, 1917. No dividends have ever been paid on common.

Officers and Directors—

L. R. Ross, president; P. W. Thomson, F. R. Taylor, H. P. Robinson, W. E. McGregor, A. O. Skinner, L. C. Gerry, M. A. Pooler, general manager, J. A. Olive, secretary.

Profit and Loss—

	1918	1919	1920	1922
Gross earnings	$774,251	$940,925	$1,038,561	$1,058,483
Expenses	612,002	731,340	871,917	807,521
Net earnings	$162,249	$209,585	$ 166,644	$ 250,962
Fixed charges	......	......	....	113,415
Bond interest	87,500	87,500	87,500	....
Other interest	5,589	6,904	8,213	....
Pref. dividends	62,708	112,000	76,125	87,500
	$155,797	$206,404	$ 171,838	$ 200,915
Surplus	$ 6,452	$ 3,181	*$ 5,194	$ 50,047

*Deficit.

Portneuf Development to Produce 3,500 H.P.

(La Compagnie Hydraulique de Portneuf)

A power plant has been under construction near St. Albans, Quebec, for la Compagnie Hydraulique de Portneuf. This company is developing 3,500 h.p. which has been sold in advance to the North Shore Power Company, a subsidiary of the Shawinigan Water and Power Company. The development is capable of being enlarged to produce 6,500 h.p. or even 13,000 h.p. at certain seasons of the year.

Investors are interested in the company through the issuance of $300,000 of first mortage 6½ per cent. bonds due serially from 1929 to 1938.

MODERNIZING WHOLE JAMAICA GROUP

New Interests in Control of Company Effecting Many Improvements

(Jamaica Public Service Company)

Jamaica Public Service Company is a reorganization of the West India Electric. New interests have assumed control and are proceeding with a definite program of expansion and improvement to enable the company to take full advantage of its valuable franchise rights in Kingston, Jamaica.

It is undoubtedly a strong point that the company is being managed by Stone & Webster, for these people are a firm with wide experience in the central management of public utilities and their advice and experience as well as their actual operations of the property will be valuable.

The Jamaica Public Service Company operates under satisfactory franchises, and without competition, the street railway, electric light and power systems in the City of Kingston and surrounding territory, serving a population of approximately 120,000, with a 20-year history of steady growth, stable and profitable operation. The company has acquired the tramways system, constituting the property formerly owned by the West India Electric Company, and the power and electric light systems formerly owned by the Jamaica Light & Power Company, which owns lands and water rights on the White River, where approximately 6,000 horse-power can be developed.

The stability of the company's earning power has been such that in no year of the past fifteen years have these net earnings failed to be substantially in excess of present requirements for interest on bonds and dividends on this preferred stock.

The annual statement for 1923 indicated that already a broad and comprehensive schedule of rehabilitation for the properties of the Jamaica Public Service Company is being followed out. In addition to changes in the form of management, in accounting systems, in public relations and other departments there have been extensive improvements and additions to the properties and in all $234,777 has been spent in this way in the seven month period covered by the report.

The new methods applied and economies effected did not acquire full momentum during the period covered by this report, but it is indicated that they have brought about a gratifying improvement in the company's earnings.

Capitalization—

	Authorized	Issued
7% cum. pref. .	$ 750,000	$ 550,000
Common stock ..	750,000	750,000

Bonded Indebtedness—

Jamaica Public Service 1st 6's due 1943	$1,000,000	$1,000,000
Jamaica Light & Power 1st 5%	200,000	200,000

Directors—

Russell D. Bell, president; Harry H. Hunt; Abner Kingman, jr., vice-president; Daniel J. O'Donahoe; Aemilius Jarvis.

Condensed Results of Operation—

(6 months, 20 days ending December 31, 1923.)

Gross Earnings—	
Tramway department	$195,272.64
Light and power dept. ..	102,565.41
Miscellaneous income	5,092.00
Total	$302,930.05
Operating Expenses—	
Operation	$152,641.66
Maintenance	43,382.26
Total	$196,023.92
Balance	$106,906.13
Taxes	14,623.45
	$ 92,282.68
Net Earnings—	
Bond interest	37,910.47
Balance	$ 54,372.21
Sundry interest	7,830.36
Balance	$ 46,541.85
Dividends, preferred	16,458.04
Balance	$ 30,083.81
Miscellaneous Credit to Profit and Loss	6,946.19
Retirement reserve	10,000.00
Current surplus (as per balance sheet)	$ 27,030.00

For purposes of comparison the following figures of the West India Electric Company, the predecessor of Jamaica Public Service, are given:

Income Account—

	Gross Revenue	Net Revenue	Earned on Common
1916	$286,321	$142,257	11.54%
1917	287,210	128,021	9.76%
1918	297,054	141,816	11,49%
1919	400,165	152,567	12.51%
1920	508,806	154,446	11.64%
1921	547,175	170,919	13.34%
1922	557,601	178,404	14.23%

Avalon Telephone is a Newfoundland Service

(Avalon Telephone Company)

One of the Canadian investments in the Dominion of Newfoundland is in the Avalon Telephone Company.

The Avalon Telephone Company was organized in 1919, for the purpose of reconstructing and extending along modern lines, the telephone system of St. John's, Nfld., and surrounding country. The company was granted an exclusive franchise subject to the rights of the Anglo-American Telegraph Company, whose system it immediately acquired.

In September, 1921, the company completed its thoroughly modern telephone system in the city of St. John's, provision having been made for ultimate capacity of 10,000 lines. The company also has telephone exchanges at other points, including Manuels, Holyrood, Brigus, Avondale, Bay Roberts, Harbor Grace and Carbonear. Franchises give to the company the exclusive right for thirty years, dating from 1919, to operate a telephone service in the electoral districts of Ferryland, St. John's East and West (except Bell Island), Harbor Main, Port de Grave, Carbonear and Bay de Verde; subject to the right of the government, upon one year's notice, to purchase the company's plant at any time after the expiration of fifteen years from the date of the franchise, at the fair value of the property, for the purpose of its use.

More Telephones, Expanding Business!

The demand for telephone service continues.

There is always a sure market for anything that it is profitable for the purchaser to buy. The fact that its value to him is more than its cost makes him a steady purchaser.

The value of telephone service to its users is always so far in excess of its cost that demand for telephones is arising from an ever-widening circle of users. Nothing that the business man or the householder buys yields so much for so small an outlay.

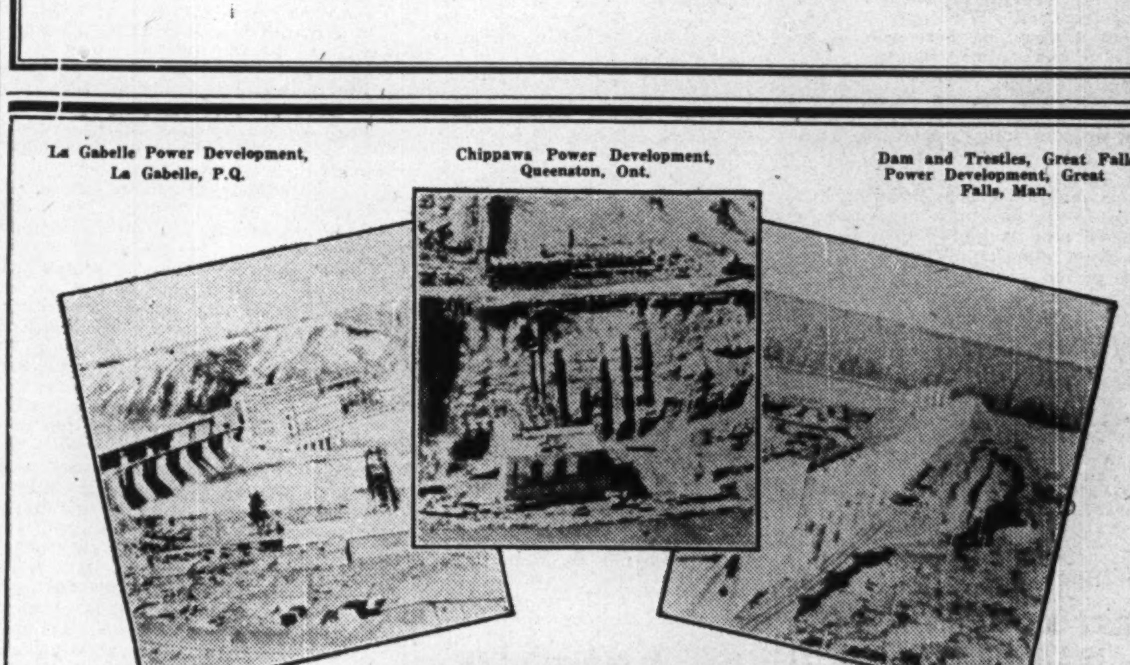
Of the total net gain in Bell telephones in Ontario and Quebec in 1923, seventy per cent. were residence instruments. Householders who, a few years ago, would have considered a telephone altogether beyond their means are now steady applicants for service. An entire new field has been opened up for telephone development.

From the standpoint of the merchant this steady growth in home telephones is of great significance. It represents for him a constantly growing market for the goods he sells, with the means of access right at his hand.

In anticipation of continued growth in demand for Long Distance service, new circuits are being steadily provided. Long Distance cable between Toronto and Hamilton, part of which is being laid underground, will furnish greatly enlarged facilities for taking care of both the demand for private wire service and general Long Distance traffic.

Each new subscriber adds to the value of your telephone.

The Bell Telephone Co. of Canada



La Gabelle Power Development, La Gabelle, P.Q.

Chippawa Power Development, Queenston, Ont.

Dam and Trestles, Great Falls Power Development, Great Falls, Man.

CANADA CEMENT CONCRETE FOR PERMANENCE

Concrete Plays Important Part In Canada's Recent Power Developments

THE value of concrete to power development projects is universally recognized. It has proved indispensable for dam construction and is being used increasingly for the building of the power house itself. Its outstanding durability and perfect adaptability to handling methods and climatic and physical conditions have helped power development engineers solve many construction problems.

The three developments pictured here—one in Quebec, one in Manitoba and one in Ontario—are typical of what engineering skill and this modern material can accomplish.

At LaGabelle, 170,000 cubic yards of concrete were poured; at Great Falls, over 90,000 cubic yards, and at Chippawa, 450,000 cubic yards.

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Canada's Water Power Plants Only One-Twelfth of Possibilities

At Present Rate of Growth There Can be no Doubt That Power Development Will Continue to Rank as Canada's Most Important Key Industry

CANADA has kept pace with the world in the application of electricity to transportation, to manufacturing and to the enhancement of personal comfort. Canada has been able to keep in the van of the nations utilizing the powerful force of electricity, because of the inspiring wealth of power in the running streams of the Dominion; power that has been harnessed by the genii of modern machinery to do the work of coal and wood and of horses and men. Progress in the utilization of water power in Canada has been rapid since the days of the water wheel beside the old grist mill, but the rapidity of the achievements of the present century has been particularly astonishing.

Canada is known to have a greater fresh water area than the rest of the world put together. There are more than 120,000 square miles of lakes in Canada. This includes only the portion in Canada of such international lakes as the Great Lakes. It is in this storage of water that Canada has the basis of its water power resources. So great are these water resources. So great are these water power resources that even to-day, after the years of study and analysis by government and private engineers, the estimates that can be offered as to their true extent, is not by any means complete. The full story is yet to be told.

Importance of Water Power

Canadian water power development has been of great importance not so much for the income it provides for the Canadian people as for the effect it has had on the industrial growth of the Dominion. A dam and power plant may provide a revenue of only $2,000,000 a year, let us say. But that plant will make possible the establishment of factories that will add many, many times that to the national income.

Governmental figures indicate that the revenue from water power in Canada is about $85,000,000 a year. These figures may seem small compared with the annual value of some basic Canadian products and, considering the high capital outlay, but it is, as matter of fact, this low valuation in terms of dollars that makes the product of particular importance as a natural resource to which Canadian industry has responded with such magnificent growth and aptitude in recent years.

The success of many typical Canadian industries, and the future of many projects now under way or under consideration, are vitally associated with cheap power facilities. This applies notably to the pulp and paper industry, the mining industry, the electro-chemical and electro-metallurgical industry, and the flour-milling industry. While the progress of Canadian industry as a whole has been in great part due to cheaply available hydro power in ample quantities, the aforementioned industries have attained particular eminence as contributors to the world supply of their respective products, largely or wholly by virtue of this advantageous factor.

The Pulp and Paper Example

The influence of water-power resources upon national development is exceptionally well illustrated by the pulp and paper industry. In 1890 Canada exported $120 worth of pulp and paper, whereas at present the annual export value of these products is well over $100,000,000. The paramount importance of cheap power as a factor in this growth may be judged from the fact that it takes practically 100 h.p. to make one ton of paper per day.

The industrial structure of Canada rests in uncommon degree upon the utilization of water-power, and the extension of the water-power industry has been notable with regard to both the rate of development and the diversity of the field which it serves. The actual extent of Canada's water-powers, as of its forests and other natural resources, has been by no means fully ascertained, but they are known to be abundant and well distributed throughout the Dominion, except in the southern portion of Alberta and Saskatchewan.

It is an important and extremely fortunate fact that a large amount of the accessible water-power is situated in the "acute fuel zone," a territory stretching for about 1,000 miles east and west and centering upon the Great Lakes, where native coal is not conveniently or economically available.

Available Power Resources

The latest survey or analysis of Canada's hydraulic resources, conservatively worked out from all available information on a basis of 80 per cent. installed efficiency and a full working load for 24 hours per day, has placed the aggregate at 18,255,000 horse-power for conditions of ordinary minimum river bow. It is further estimated on the same basis that some 32,076,000 horse-power could be depended upon for six months of the year. The latter figure could probably be increased by about 30 per cent. in actual development, as it is standard practice to instal turbines in excess of the theoretical six-month power by about that amount.

Applying this, the figures quoted above, therefore, indicate that the present recorded water power resources of the Dominion will permit of a turbine installation of 41,700,000 h.p.

The total installation to date in water wheels and turbines through the Dominion is 3,227,414 h.p. In other words the present turbine installation represents only 8 per cent. of the recorded water power resources.

More Projects Going Ahead

With an increase during the year 1923 of over a quarter of a million horse-power the total hydraulic power installation of Canada has now reached this imposing total, while the growing demand for power is demonstrated by the numerous large developments being rapidly pushed to completion. These new developments are not confined to any particular section of the country but extend from coast to coast and are designed to serve practically every community where a demand for power exists.

It may be pointed out that while the total addition to Canada's hydraulic installation during the year 1923 amounted to 255,000 h.p. that there is at the present time actually in process of construction or in active prospect further hydraulic developments amounting to more than 900,000 h.p.

The 3,227,414 h.p. at present installed in this country may be classified as follows:

2,411,701 h.p. in central stations for general distribution for all purposes.

497,620 h.p. installed in pulp and paper mills, not including 228,755 h.p. purchased by pulp and paper companies from central stations.

318,093 h.p. installed in industries other than central stations and pulp and paper mills.

The total installation for the Dominion averages 353 h.p. per thousand population, a figure which places Canada third in the per capita utilization of water power among the countries of the world, Norway and Switzerland only having a higher per capita utilization.

Growth of Installations

The growth of water power developments in Canada has been striking. Total installed horse power has grown from 975,000 to 3,227,000 since 1910, control station installation from 605,000 to 2,411,701 h.p. and pulp and paper installation from 191,000 to 498,000 h.p.

Such an authoritative body as the Dominion Water Power Branch of the Department of the Interior is authority for the estimate that this rate of growth will not diminish. New uses for electric current of the greatest import in industrial processes and service are being constantly discovered. Canada's strategic advantage in the location of large reserves of water power within transmission distance of her centres of population should attract special industries to these centres in increasing numbers. Population follows industry and at once an added market is created for power for domestic and municipal uses. All the modern tendencies in the utilization of cheap power indicate that the rate of growth of hydro-electric development in Canada will increase rather than lessen.

A Peep Into the Future

Should the rate of installation since 1910 be maintained at its present rate there will be installed in 1925, 4,000,000 h.p.; in 1930, 5,000,000 h.p.; in 1935, 6,000,000 h.p.; and in 1940, 7,000,000 h.p. These growth figures are considered conservative, as the rate of growth since 1920 has been considerably in excess of the rate over the whole period from 1910. Available reserves are more than ample to take care of these future demands, as outlined, for a long time to come.

The water power now developed in Canada represents an investment of over $687,000,000. In 1940 should the rate of growth in installation during the past fifteen years be continued, this investment will have grown to over $1,500,000,000. The present development represents an annual equivalent of 29,000,000 tons of coal which, valued at $10 per ton, represents $290,000,000. In the year 1940 these annual figures will, with the foregoing assumption, have become 63,000,000 tons and $630,000,000.

In providing the money for the great water power developments that are to follow, investors will find many opportunities for safe and profitable employment of their capital. Canadian investors will provide much of the new money and more will come from Great Britain, the United States and even from continental countries.

At the present rate of growth there seems to be little doubt that water power development will continue to rank as Canada's most important key industry.

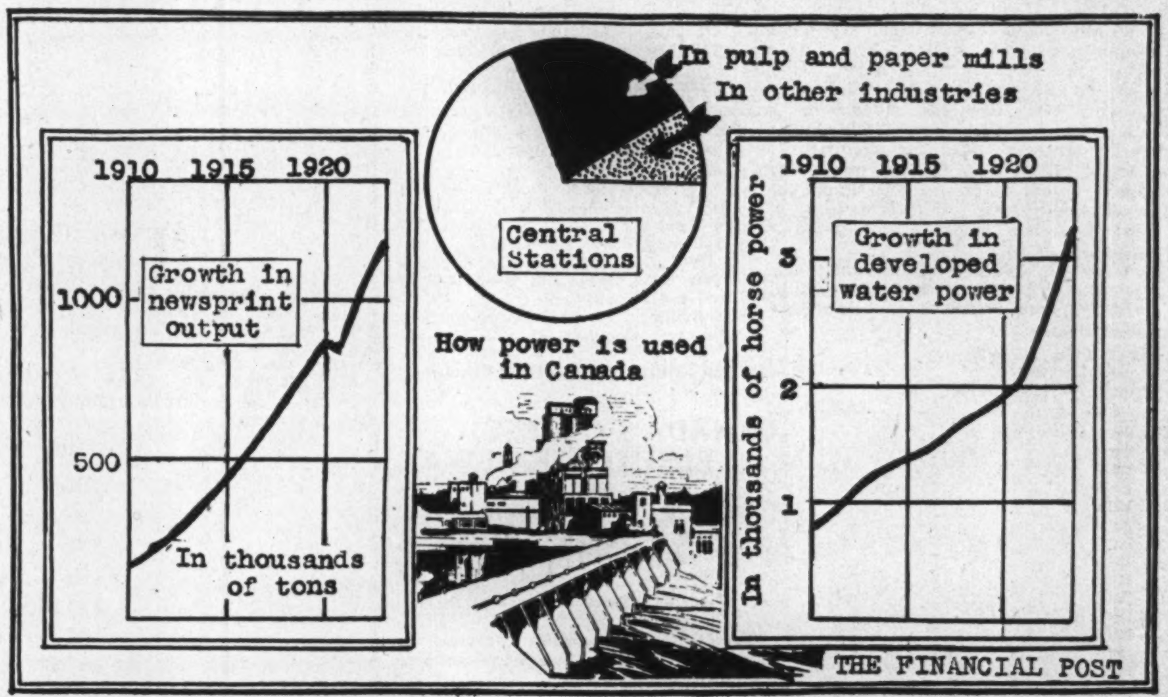
Change of Control for Quebec-New England Co.

(Quebec-New England Hydro Electric)

On July 2 the Quebec-New England Hydro-Electric Corporation will have $2,550,000 of bonds maturing. That this will be met is now assured by the merger into a new and larger company backed by strong interests. Further particulars of this company will be found in the news columns this week. The deal is pending at the moment of writing.

Quebec-New England Hydro-Electric Corporation is closely affiliated with Canadian Light, Heat and Power Company which owns a small development on the St. Lawrence River, the National Hydro Electric Company, which is believed to control large power rights at Carillon on the Ottawa River, and two other electric light companies.

Parallel Development of Water Power Enterprises and Pulp and Paper Industry in Canada



Plenty of cheap power is an essential of a successful pulp or paper plant, just as essential in fact as an adequate supply of wood that can be cut and brought to the mill at little expense. Canada's water power resources are, then, just as much one of the important raw materials of the pulp and paper industry as Canada's great areas of pulpwood.

There has been an interesting parallel development in the Canadian pulp and paper industry and in the development of water power enterprises in the country. This has been most marked in the case of newsprint, which requires more power for its production than most grades of paper. This is because news print is 75 per cent. groundwood pulp and it takes 73 horsepower of energy to operate a groundwood mill for each ton of pulp that is to be produced daily. Thus a 100 ton per day groundwood mill requires 7,300 horsepower of energy to drive its grinding machines. Finished newsprint requires 100 horsepower to produce one ton per day.

Most of the big pulp and paper mills in Canada have developed their own power. The mills themselves have installed h.p. turbines capable of producing 500,000 h.p. and in addition pulp and paper bills buy an additional 225,000 h.p. from other stations. Thus nearly 25 per cent. of the total amount of power developed in Canada is used in this single industry.

It is a fortunate circumstance that Canadian water power resources are strategically located in a geographical sense close to the large pulpwood areas. This has made possible a more rapid development in the pulp and paper industry than would have been possible had it been necessary to bring power over long distances. The Abitibi Power and Paper Company has a significant name; it was primarily conceived to develop an important water fall in Ontario and has constructed one of the world's largest newsprint mills. In the St. Maurice Valley of Quebec, which is a hive of pulp and paper industry, there is ample power. In the comparatively undeveloped areas of lower Quebec much power is running to waste where timber reserves are also ample.

Ample water power available at low costs of production have contributed greatly to Canada's ability to compete favorably with the world in producing newsprint and other kinds of paper.

PUBLIC UTILITIES AND PUBLIC HAVE JOINT OBLIGATION

Community Has More at Stake Than Have Stockholders

MUST BE BROAD

TOO often the attitude of a community toward public utilities is one of intolerance or antagonism. People have been impressed with the idea that utilities are dependent on them for support and can be kicked around because they are unable to help themselves.

It is true that every utility is dependent upon the public for support just as every man and woman in the community is dependent on the public for support.

It is about time, however, to realize that the community has more at stake in a well-managed and successful public utility such as an electric light, gas, telephone or street railway company, than have the stockholders in these properties.

Bankrupting a Community

Narrow-minded action of citizens or politicians may bankrupt the utility and cause loss to many stockholders, but this financial loss will be as nothing compared with the bad advertising and loss of convenience and prestige that follows a city or town with poor or inadequate public utility service.

Commenting on this phase of the question, the head of a big utility recently said: "The commercial and industrial future of a city is in the hands of the men who conduct the public utilities. No community can grow faster than its public utilities. The responsibility imposed upon the service is to look to the future. No class of men has greater opportunity to advance the interests of any community than those engaged in public service work. Every new industry or family brought to a community adds to assets of the service and the community."

"Tokio Now a City of Dreadful Night" read a headline last September. The phrase, adroitly taken from Kipling's story "The City of Dreadful Night" conjures up an awful picture of what happens when the electric and gas lights go dead. The earthquake in the Japanese city brought most forcibly to the stricken inhabitants their dependence on these comparatively new public utilities.

Don't Take it for Granted

How many of us, who take everything for granted, ever ponder over what would happen to our community if the public lighting systems were to cease to function? How many, when we turn on an electric switch, ever stop to think of the mighty labor, the brains and skill, the money required to operate, and the many other problems that make possible the radiant illumination that floods the room.

Civilization is now dependent to an almost unbelievable degree on the public utilities of the country. And they serve us at an astonishingly low rate of reward. The price of a box of candy, or a box of cigars pays a month's electricity or gas bill for many of us.

A city of dreadful night is not a pleasant thing to contemplate.

PUBLIC UTILITIES ENGAGE FORESTERS

Forestry, in the modern conception, is a comparatively new profession here in America, although a rapidly growing one since the need of national conservation of timber has become so apparent. One of the newest fields for this new profession is in the electrical industry. Superficially there seems to be not the remotest connection between the two. But with the rapid expansion of the electric industry, both in the building of high powered lines running hundreds of miles and in the smaller lines in town and country, power companies have found trained foresters of great value to them, economical clearing of right-of-way for lines, but probably more so in the building of favorable public opinion.

In cases where the extension of power lines makes it necessary to run over the ground covered by isolated trees and wooded sections, the forester is equipped to supervise trimming of trees in a scientific manner, which often leaves them with better appearance than formerly and frequently in a more healthy condition. Property owners who see their trees, some of which they regard with sentimental attachment, handled by expert hands, comparable to a skilled surgeon's in an operation, are inclined to have friendly feelings toward the utility that thus shows a proper regard for property rights.

Pleasing appearance after trimming is the objective sought by the forester. By the removal of dead-wood, stubs, obnoxious limbs, many owners who feared to see their trees trimmed to permit wires to pass over them, have expressed pleasure over the results achieved by these experts in woodcraft.

Strong Group Now After Tram Power

(Montreal Tramways and Power Co.)

At the present time there is a great deal of uncertainty in the affairs of Montreal Tramways and Power Company. Recently a change of control was evidenced by a complete re-alignment of the board of directors following a hard fought battle between the former directors and interests who opposed their method of administration. And now the Shawinigan-Montreal Power group are bidding for control and are likely to get what they are after. Further announcement may be found in the news column of this issue.

It may be pointed out, though, that the developments of the present are not in any way affecting the security of the holders of the recent issue of $8,000,000 of 5 year collateral trust bonds. These are secured by a sufficient amount of debentures in Montreal Tramways Company and stock of the same company to insure their safety regardless of the future of Montreal Tram Power.

Montreal Tramways and Power Company is a holding company only holding stock and bonds in Montreal Tramways Company and a number of affiliated hydro-electric companies in Montreal and territory.

Capitalization—

Bonds, 5 yr., 6%	$ 8,000,000
Paid up shares	17,578,330

Profit and Loss

	1921	1922
Inc. from sec'r'es	$787,055	$675,811
Expenses	22,241	21,384
Interest	550,166	529,826
Discount	40,470	10,588
Bond Exp.	79,294	8,170
Other bond int.	25,554	7,569
Profits	$130,670	*$98,275

*Loss.

POWER

From the new 168,000 h.p. hydro-electric plant of the Manitoba Power Company, Limited

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Planning to establish in

Greater Winnipeg

—the gateway to Western Canada, one of the world's great growing markets—have now assured to them in addition to all the advantages of favorable location, an

Adequate POWER SUPPLY

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The Company has established an Industrial Research Department, whose engineers offer their ready co-operation and will supply facts, figures and details relating to industrial conditions and opportunities in Greater Winnipeg.

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MANITOBA POWER COMPANY

LIMITED

Winnipeg - - Manitoba

STREET RAILWAY NOT SO PROFITABLE

That is the Experience of Public Utility Company Serving Hamilton Area

(Dominion Power & Transmission)

The power department of Dominion Power and Transmission should show an even greater advance in net profits this year over last than was the case of 1923 over 1922. The position of the transportation end of the company is not so good, but the latter should hold its own. The 1923 volume of business was the greatest in the company's history, earnings passing the $4,000,000 mark for the first time. However, an accident at the Power Glen generating station seriously impaired the efficiency of the plant for a good portion of the year. To maintain a proper standard of service the company had resort to its steam plant as an auxiliary with the result that during this period costs were abnormally high. Thus, the report on 1923 operations does not give the real position of the company in regard power profits. This year the company has a considerable amount more power to sell by reason of its having secured early in the year 10.000 h.p. from the Canadian Niagara Power Co. This has left the company with a sufficient surplus of power to enable the maintenance of its own equipment in a high state of efficiency and has made it possible to take on a number of new customers.

Dominion Power and Transmission is in competition with the Ontario Hydro in the Hamilton and Niagara district and despite the activities of the Hydro people has managed to get its share of the new business. However, the taxes which the private company must pay, as compared with the Hydro makes inroads on the profits. Last year the taxation alone was about 4 per cent. on the company's common stock.

The railway properties have not shown so well of late due to high operating cost and the steady inroads which the automobile is making. During 1923 the company redeemed $231,000 of outstanding bonds. Assets stands at $24 712 000. The company is also strongly managed. The stock is not listed

Capitalization—

	Authorized	Outstanding
Common	$15,000,000	$7,714 500
Pref. 7% cum.	10,000,000	3,681,100

Funded Debt—

First gold 5% due annually to 1932	5,564,000
Bonds of subsidiaries outstanding	2,913,000

Dividend Record—

Year	Pref.	Com.
1907	6%	..
1908	3	..
1911	7+3	..
1912	7+3	..
1913	7+6½	..
1914	7	..
1915	7	..
1916	7	4
1917	7	4
1918	7	4
1919	7	4
1920	7	4
1921	7	..
1922	7	..
1923	7	..

Officers and Directors—

Sir John Gibson, Lieut.-Col. J. R. Moodie, president; J. Dixon, W. C. Hawkins, managing director and secretary, Lloyd Harris, C. E. Neill, C. A. Birge, W. E. Phin, R. Hobson, J. Dickenson, E. P. Coleman, general manager.

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross earn.	$ 3,204 645	$ 3,477,396	$ 3,803,723	$ 3,758,947	$ 3,830,558	$ 4,019,766
Expenses	2,044,467	2 287,704	2,771,876	2,846,287	2,810,924	2,952,143
Net earn.	$ 1,160,177	$ 1,189,682	$ 1,031,847	$ 912,660	$ 1,019,634	$ 1,067,622
Replacements	58,992	35,166	....	....	....	....
N. Y. exch.	....	....	68,379	59,186	24,600	....
Interest	436,913	453,816	436,280	446,116	442,883	450,875
Surp. earn.	$ 664,271	$ 700,750	$ 527,187	$ 407,357	$ 552,151	$ 616,747
Bal. forward	723,963	853.033	1,003,119	940,526	1,071,922	1,098,090
	$ 1,338,234	$ 1,553 783	$ 1,535,308	$ 1,347,883	$ 1,624,073	$ 1,714,837
Bad debts	1,208	12,251	13,799	2,670	2,966	3,302
Reserve	....	....	....	....	256,884	320,931
Dividends	533,993	533,413	465,059	257,677	258,837	258,837
Income tax	....	....	85,619	15,613	7,295	22,263
Rate of exch.	....	....	30,305	....	....	....
Bond comm.	....	....	....	....	....	9,937
Balance	$ 853,033	$ 1,008,119	$ 940,526	$ 1,071,922	$ 1,098,090	$ 1,099,666
Rate % earned on common	5.25	5.58	1.81	1.70	*0.35	

*After depreciation.

LAKE SUPERIOR IS ITS POWER RESERVOIR

Great Lakes Power Company at the Soo is Under Central Utility Management

(Great Lakes Power Company)

One of the oldest and most successful power companies in Canada, but one that in the past has not been of great interest to Canadian investors, is the Great Lakes Power Company. This enterprise has been in existence since 1896. It develops power on the St. Marys River at Sault Ste. Marie and owing to the constantly increasing demand for power in that part of Canada the company's plant has been expanded from time to time until now the capacity is 39,200 h.p. The company controls its water rights in perpetuity without rental or other charges and it has another distinct advantage in the fact that the largest sheet of fresh water in the world is the natural reservoir for its water supply. This is Lake Superior.

The Great Lakes Power Company is the owner also of the International Transit Company which operates a street railway system in Sault Ste. Marie, Ont., and which operates also a ferry service between the American Sault and the Canadian Sault.

The company is under a central utility management, being operated by the Middle West Utility Company.

Capitalization—

	Authorized	Outstanding
Common	$2,000,000	$2,000,000
Pfd. 7%	600,000	600,000

Funded Debt—

First mortgage 6% gold bonds	3,000,000	2,700,000

Officers and Directors—

S. Insull, president; M. J. Insull, vice-pres.; J. A. McPhail, vice-pres.; O. E. McCormick, secretary; E. J. Knight, assistant sec.; S. Buttrick, B. A. Eckhart, J. O. Keyworth, D. R. McLennan, J. L. Martin.

Profits and Loss

	1918	1919	1920	1921	1922	1923
Gross income	$379,517	$412,856	$461,820	$511,791	$542,338	$577,488
Operating expenses	$ 62,440	$ 78,619	$ 76,609	$117,041	$152 614	$162,019
Fixed chgs.	103,071	139,683	150,401	188,855	172,784	169,563
Net earnings	$214,006	$194,554	$234,810	$205,895	$216,939	$245,905
Rate % earned on pref.	35 66	32.42	39.13	34 33	36.15	40.98

A Stone & Webster Co. on Cape Breton Island

(Cape Breton Electric Company)

The Cape Breton Electric Company is a centrally operated public utility under the Stone and Webster management. Cape Breton Electric is a general public utility serving the city of Sydney, Nova Scotia. It does the entire electric lighting and electric business in Sydney; the entire electric lighting business in North Sydney; the ferry business between the two cities and it operates also an inter-urban line between North Sydney and Sydney Mines.

The company has made slow but steady progress in its gross earnings but operating expenses have increased at a rapid rate and the company is not yet entirely out of the woods.

Capitalization—

	Authorized	Outstanding
Common	$1,125,000	$1,125,000
Pref. 6% Non-cumulative	500,000	314,000

Funded Debt—

First gold 5 per cent. due 1932, $1,096,000. Sydney & Glace Bay Rly., first gold 5 per cent., due 1932, $144,000.

Dividend Record—

Calendar year	Pref.	Com.
1907	6	..
1908	6	..
1909	6	..
1910	6	1½%
1911	6	4
1912	6	4+1
1913	6	6
1914	6	6
1915	6	3
1916	6	3
1917	6	3
1918	6	3
1919	6	3
1920	6	..
1921	6	..
1922	6	..
1923	6	..

Officers and Directors—

A. Stuart Pratt, president; F. S. Pratt, vice-president; H. G. Bradlee, J. C. Rice, Allan Forbes, W. C. Forbes, W. Hunnewell, Jr., Russell Robb, H. B. Sawyer, N. H. Stone, E. S. Webster, V. D. Vickey, secretary; C. C. Curtis, manager.

Profit and Loss—

	1918	1919	1920	1921	1922
Gross earnings	$ 513,005	$ 583,023	$ 652,007	$ 694,596	$ 626,238
Expenses and taxes	392,409	455,033	552,902	583,209	552,684
Net earnings	$ 120,596	$ 127,990	$ 99,105	$ 111,387	$ 73,554
Interest	63,146	64,367	67,679	68,768	67,196
Sinking fund	15,360	....	....	....	....
Pref. dividend	14,040	14,040	14,040	16,440	18,840
Com. dividend	33,750	33,750	....	....	....
Surplus	*$ 5,700	$ 15,833	$ 17,387	$ 26,179	*$ 12,482
Earned on pref.	$ 17.99	$ 27.19	$ 13.43	$ 13.57	$ 2.02
Earned on com.	2.49	4.41	1.54	2.33	....

*Deficit.

Broadening Service in Rimouski District

(Lower St. Lawrence Power Co.)

A rapid broadening of its field of service has characterized the brief history of Lower St. Lawrence Power Company which was financed a little over a year ago by Philadelphia and Toronto banking houses. The company operates in the Amqui. Romouski, Metis and Matane districts of Quebec and has recently arranged a contract with the city of Campbellton, N.B., to supply power to that community.

The Lower St. Lawrence Power Company has one of the lowest cost developments in Canada. Its bonded indebtedness is $1,100,000 and in addition it assumes interest obligations of two acquired or subsidiary companies. It has a power site at Metis capable of a development of 9,000 h.p. Of this, equipment has been installed to utilize 3.700 h.p. but the power plant is of sufficient size to permit 7.000 h.p. to be installed. The company has two auxiliary electric plants of 500 h.p. each and many miles of transmission lines.

Capitalization—

Common stock, 20,000 shares, no par value. No preferred stocks.

Funded Debt—

7% 1st mrtg. bonds, due Aug. 1, 1947	$750,000
8% gen. mrtg. bonds, due 1932	350,000

Officers and Directors—

J. A. Brilliant, Rimouski, president; R. O. Sweezey, vice-president; P. E. Gagnon, secretary; J. A. Bergeron, J. E. Pinault, Frank Battles, D. I. McLeod, E. Astle.

CANADA'S OLDEST ELECTRIC RAILWAY

Company Wins Out in Some Recent Disputes With City of Ottawa

(Ottawa Traction Company)

The Ottawa Traction Company is merely a holding company owning the majority interest in the stock of the Ottawa Electric Railway Company.

The Ottawa Electric Railway is the oldest street railway system in Canada. It was built by Messrs. Thomas Ahearn and Warren Y. Soper, before the street railway systems of Toronto, Hamilton, Montreal and larger Canadian cities. It is regarded as one of the best street railway properties on the continent and has given fair returns to its shareholders.

Recently the company had discussions with the city in regard to the possibility of public ownership of the property and regarding increased fares. In all of the recent discussions the company has managed to prove its case and win the argument. This is largely due to the fact that relations with the city of Ottawa are excellent.

Capitalization—

Authorized—$10,000,000.

Outstanding—$5,581,500.

Funded Debt—

None.

Dividend Record—

Year		Year	
1914	4+1%	1919	4+1%
1915	4+1	1920	4+1
1916	4+1	1921	4+1
1917	4+1	1922	4+1
1918	4+1	1923	4+1

Officers and Directors—

T. Ahearn, president; T. F. Ahearn, E. N. Soper, T. Workman, Col. G. P. Murphy, C.M.G., J. F. Smellie, G. F. Henderson, K.C., Major F. D. Burpee, G. L. Snelling, sec-treasurer.

Profit and Loss—

	1921	1922	1923
Income	$279,060	$279,069	$279,075
Dividends	279,060	279,069	279,075

OTTAWA ELECTRIC RAILWAY

Capitalization—

Authorized—$4,000,000.

Outstanding—$1,877,200.

(Ottawa Traction Co. owns 18,601 shares of the stock).

Dividend Record—

Dividends from 1893 to 1904, 8% per annum; in 1905, 10%; in 1906, 12%; including bonus of 4% in Dec.; 1907 to 1910 inclusive, 10% and 2% bonus each year; 1911, 10% and 5% bonus; 1912 to 1923, 12% and 3% bonus each year.

Officers and Directors—

T. Ahearn, president: G. L. Snelling, sec. and treas.; F. D. Burpee, manager; J. M. Ahearn, assistant manager; A. J. Tobin, supt., T. Workman, T. F. Ahearn, E. N. Soper, G. F. Henderson, K.C., Col. G. P. Murphy, C.M.G.

SECOND UNIT NOW READY AT ELKO, B.C.

Possibility of Pulp and Paper Mill at Elko Interesting in Relation to East Kootenay

(East Kootenay Power Company)

This summer saw the completion of the new development of the East Kootenay Power Company at Elko. B. C. This company was originally the British Columbia and Alberta Power Company with a 7,200 h.p. development on the Bull River in British Columbia. Later it was enlarged to the present company and $2,000,000 of bonds were sold to pay for an additional development of 15,000 h. p. on the Elk River. The power is largely sold, being marketed among mining companies, including the Consolidated Mining and Smelting Corporation and some coal companies, as well as in the cities of Cranbrook and Fernie.

The company has a rather low cost development and it is interesting that the earnings from the original 72,000 h.p. development have proven to be more than sufficient to meet bond interest on the entire funded debt including that incurred for the construction of the larger development.

There is an interesting possibility in connection with East Kootenay Power that may be recorded. Plans have been discussed from time to time for the construction of a large paper mill near Elko by the Wigwam Pulp and Paper Company, promoted by Chicago interests. This paper mill would provide a large market for power from East Kootenay. The power company now has a larger amount of power than can be developed in certain seasons of the year and if it could be assured of a year-round 24-hour load, such as would be demanded by a paper mill, it could construct a steam stand-by plant to be operated when water was below peak.

As there is plenty of coal in the neighborhood the combination of steam and water generation would provide a very low cost production of a large amount of power. But, of course, the investor must not regard these developments as certain of completion until the plans of the Wigwam Company are more definite.

The second unit of 7,500 h.p. capacity of the new power plant of East Kootenay Power Company at Elko commenced operation a short time back, making a total of 15,000 h.p. in this plant at Bull River, or a total of over 22,000 h.p.

The company is at present supplying over 5,000 h.p. to the Consolidated Mining and Smelting Company's new concentrator at Kimberly and the Sullivan mine, and in addition is supplying power to the various coal mines in the Crow's Nest Pass and to towns of Fernie and Cranbrook. The company's fiscal year ended March 31 last.

Capitalization—

	Authorized	Outstanding
Common	30,000 shrs.	30,000 n.p.v.
Pref. 8%	$100,000	$100,000

Funded Debt—

First gold 7 per cent., due 1942, $2,000,000.

DETROIT UNITED TO SELL SECURITIES

Company Has Financing To Do To Pay for Extensions and For Refunding

(Detroit United Railway)

Interest in Detroit United centres in the prospect of large scale financing and in the possibility of a cut in the dividend rate. The stock market has discounted the possibility of a reduced dividend rate. The stock has sold down to a very low level. Nevertheless the directors have given no indication of their policy in this respect. Street gossip mentions four per cent. as the dividend rate that is likely to be maintained if the present six per cent. rate is cut. But at the moment all talk of a dividend cut is mere speculation.

The financing that is in prospect will be proceeded with when market conditions are proper. It is believed that the company is planning for an extension of about 35 miles to their lines to make up for earnings that were lost when the city of Detroit took over the city lines. In addition the company is feeling the slackening up of the motor car industry in Detroit which affects the inter-urban traffic.

On the two questions of financing and dividends, the remarks of the president, Elliott G. Stephenson, in the annual report for 1913 bear repeating. He said:

"As stated, it is intended to make a new bond issue of $7,000,000 or $7,500,000, to cover these items and leave a balance of over $2,500,000 for improvements and extensions—principally extensions—to which subject I will refer later in this report.

"During the past two years, and especially during the past year, I have heard reports, which must have been based on rumor, that the company was not earning its dividend; that is, the 6 per cent. dividend that the stockholders have been receiving since September, 1922.

"I confess it occasions surprise to me, in view of the extraordinary financial burdens that had to be met for other purposes, that we have been able to pay these dividends—not because of inadequate current earnings, but because of the extraordinary disbursements we were called upon to provide for and pay—and, in view of the reports referred to, I set forth below the 'Earnings Statement' of the company for the year 1923, showing, according to the statement, 'Net Earnings' of $863 646.20, applicable to payment of dividends—the amount of which aggregated $921,000."

Capitalization—

	Authorized	Outstanding
Common stock	$15,375,000	$15,375,000

Funded Debt—

First consolidated gold, 4½%, due 1932	$12,172,000
First mortgage bonds outstanding	8,669,000

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross earn.	$19,014,018	$24,683,038	$28,986,228	$23,329,068	$13,184,771	$ 8,863,599
Oper. exp.	14,758,340	19,792,528	25,025,165	19,428,779	10,098,489	7,243,270
Net earn.	$ 4,255,678	$ 4,890,510	$ 3,961,063	$ 3,900,289	$ 3,086,282	$ 1,620,328
Other income	449,737	546,406	676,118	716,224	1,064,574	873,582
	$ 4,705,415	$ 5,436,916	$ 4,637,181	$ 4,616,513	$ 4,150,856	$ 2,493,910
Inc. from bonds	....	....	....	....	....	78,784
	$ 4,705,415	$ 5,436,916	$ 4,637,181	$ 4,616,513	$ 4,150,856	$ 2,572,694
Int. and taxes	2,610,831	2,868,250	3,003,606	3,351,068	2,222,981	1,630,264
Dividends	1,200,000	1,200,000	1,200,000	675,000	230,275	....
Dep. reserve	750,000	950,000	400,000	400,000	250,000	....
Surplus	$ 144,584	$ 418,665	$ 33,575	$ 190,445	$ 1,447,600	$ 942,430
*Rate % earned	6.86	10.79	8.21	3.68	10.09	5.6

*After depreciation and taxes.

First consolidated mortgage bonds	3,427,500
First mortgage collateral sinking fund	3,529,000
Collateral trust gold notes	1,000,000

Dividend Record—

Year		Year	
1901	4%	1914	6%
1902	4	1915	6
1903	4	1916	6¾
1904	4	1917	7¾
1905	4¼	1918	8
1906	5	1919	8
1907	3¾	1920	8
1911	5	1921	2+2½
1912	5	1922	1½
1913	6	1923	6

Market Record—

	Common High	Common Low
1912	76½	55½
1913	80⅞	62¾
1914	73¾	62
1915	73	62
1916	128½	69
1917	128	104¾
1918	..	..
1919	113	93
1920	113¾	79¾
1921	96	50
1922	73	54
1923	79½	56
1924	72½	39

Capitalization—

Authorized	Outstanding
$8,000,000	$8,000,000

Funded Debt—

Five per cent. first mortgage debenture stock, due 1936, $2,641,928.

Dividend Record—

1914	1%	1917	2%
1915	2	1918	2
1916	2	None since.	

Officers and Directors—

H. B. Pearson, president and managing-director; A. E. Cross, vice-president, Sir Clifford Sifton, Maj. J. W. Sifton, J. R. L. Starr, T. A. McAuley, H. S. Tims.

JAMAICA PUBLIC SERVICE CO., LIMITED

Executive management - Stone & Webster, Inc.,

THE Jamaica Public Service Co., Limited, does the entire electric lighting, power and street railway business, serving a population estimated at 120,000, in the Cities of Kingston and St. Andrews, Jamaica, which constitute the metropolis of the British West Indies.

The stability and steady growth of this utility's business and net earnings may be seen in the following table:—

Year	Gross Earnings	Net Earnings
1908	$217,410	$118,326
1909	236,065	113,885
1910	240,066	122,637
1911	263,108	122,014
1912	261,080	116,956
1913	284,841	128,584
1914	288,924	125,369
1915	274,317	123,540
1916	286,321	134,370
1917	287,210	120,112
1918	294,724	131,603
1919	383,664	154,767
1920	490,180	151,288
1921	536,866	185,376
1922	541,032	181,431

The property was acquired from the West India Electric Co. in 1923 by the Jamaica Public Service Co., Limited, and placed under the executive management of Stone & Webster, Inc., who manage over 60 utilities throughout North America and in the Tropics.

Earnings under the new management for the 10 months and 20 days ending April 30, 1924, were as follows:—

	10 mos. 20 days 1924	1923	Increase
Gross Earnings	$494,268	$456,858	$37,410
Net Earnings	153,753	132,429	21,323

The Company is making important extensions to the electrical output, including the doubling of the steam station capacity and the improvement of the hydro-electric station, and is providing additional rolling stock. The communities served are showing a steady growth, and with the demands for additional electric service, which had not been met by the previous Company, a large increase in the Company's business is now under way.

The Company is owned and has been financed in Canada. The ratio of the Company's capitalization to its established earnings compares favourably to the most conservative standards on this continent.

Capitalization

Bonds, First Mortgage & Divisional 5's	**$1,200,000**
7% cumulative preference stock	**550,000**
Common stock	**750,000**

JAMAICA PUBLIC SERVICE CO., Limited

BUSINESS SLACK IN DULUTH AREA

Traction Company Wants to Put Service on a Cost Basis to Public

(Duluth-Superior Traction)

Duluth Superior has been facing difficulties. Business in its section of the country has not measured up to expectations. Earlier in the year there were those who expected to see industrial expansion which would bring to the company an increased patronage. This failed to materialize and the consequent depression in industry threw many workers into the jitney business with the result that, instead of getting new business, the company got new and untrammelled competition. There has been a movement on hand to try and curb the jitney. Similar movements are on in numerous other places, but few of them seem to be getting anywhere.

Duluth Superior income for the last twelve months showed an increase with costs slightly higher. The report did not clearly set forth the position at the end of the year, however, as the last quarterly income period of the year showed a material decline in revenue and this has not been bettered. For a time the shares of the company reflected a hope that there might be an increase in the dividend. but this hope seems shattered for the time being. The award of the valuating commission which has been going over the assets of the company, has been patiently awaited. Some time ago, the company facing unsatisfactory conditions in its charter, owing to the soaring of operating costs with no increase in the unit of revenue asked for a valuation of its assets to the end that it might place its tariffs on a basis of cost of service. This, it was expected, would allow a fair return to the company and its shareholders. In other words, the company is seeking a condition similar to that enjoyed by the Consumers Gas Co. of Toronto.

Capitalization—

	Authorized	Outstanding
Com.	$3,500,000	$3,500,000
Pref, 4% cum. ..	1,500,000	1,500,000

Funded Debt—

Bonds, Duluth Ry. 5% first mortgage due 1930	2,500,000	2,500,000
Bonds, 5% general mort- due 1930	2,500,000	990,000

Dividend Record—

Year	Pref.	Com.
1901 to 1908 ..	4 ann.	.
1909	4	1
1910	4	4¼
1911	4	5
1912	4	5
1913	4	4¼
1914	4	4
1915	4	1
1916	4	.
1917	4	2
1918	4	2
1919	4	.
1920	4	.
1921	1	.
1922	5	.
1923	5	.

Officers and Directors—

A. E. Ames, chairman; A. M. Robertson, president; E. Zacher, L, Mendenhall, Horace Lowry, F. H. Deacon, C. F. Salyards, C. R. Fridley, H. Warren, vice-president and general manager, S. L. Reichert, secretary-treasurer.

Market Record—

Year	Common High	Common Low
1912	80½	70
1913	74	55
1914	67	59¾
1915	..	..
1916	49	37
1917	51	40
1918	42	41
1919	32½	27⅞
1920	28	12
1921	26	12¾
1922	30	16
1923	44	28½
1924 (to date) ..	35	19

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Net income	$ 119,057	$ 104,768	$ 73,848	$ 28,587	$ 92,103	$ 123,110
Other income	5,247	7,455	3,716	3,217	14,282	30,942
Bal. forward	187,309	101,208	90,855	32,598	13,038	19,472
	$ 311,613	$ 213,431	$ 168,420	$ 64,402	$ 119,423	$ 173,524
Dividends	165,000	60,000	60,000	15,000	75,000	125,000
Appro. res.	....	11,219	....	....	....	....
Dis. on bonds	2,900	3,300	3,200	3,100	4,300	800
Add. to property	10,646	17,728	12,469	....	....	....
Misc. debits	3,022	1,285	15,807	....	37	....
Val. expense	....	....	16,097	....	....	....
Taxes	....	....	....	4,714	....	3,216
Sinking fund	28,837	29,043	28,248	....	....	25,284
Surplus	101,208	90,855	32,598	13,038	19,471	19,224
	$ 311,613	$ 213,431	$ 168,420	$ 64,402	$ 119,423	$ 173,524
*Rate % earned on pref.	7.89	7.17	4.92	1.51	6.14	10

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*After depreciation.

TWIN CITY FACES JITNEY COMPETITION

Prospects Now Better — Bad Month Set Earnings Back Very Considerably

(Twin City Rapid Traction)

In analyzing the situation affecting Twin City Rapid Transit in the light of the recent weak market for its shares one immediately notices the decline of approximately $130,000 in the first quarter's earnings. This was due chiefly to a two-day tie-up in the last week of March on account of a most severe snowstorm after what had been a comparatively mild winter. Considerable nervousness over the company's ability to maintain the 6 per cent. is now in evidence.

To offset this unfortunate influence will be found the inherent strength of the company's physical and financial position, there being a great increase in property value and gross earnings, and a decrease in the total capitalization since 1916. The prohibition of jitney service in the territory served by the company is a factor which is materially aiding the work of the company.

An added feature which helped to govern the recent market for Twin City shares was the imminence of the property valuation report by the Railway and Warehouse Commission. Briefly, this report is intended to establish a franchise or contract between the municipalities and the company, to enable the latter to secure fares which will give it a surplus equivalent to 7 per cent. on its capital stock, after providing for fixed charges. At present the company is operating on a 6-cent fare basis, granted and operative as a temporary measure until such time as the property valuation has been decided upon. In respect to the arbitration verdict it may be observed that there will be only one more dividend period before the judgment is handed down. Montreal interests identified with the Twin City consider that all its troubles will be left behind immediately the judgment is recorded.

Twin City has maintained and extended its system since 1912 without the application of a single dollar of new capital. There has been a slight decrease in the capital upon which the company now pays interest and dividends. This is perhaps unique in the financial history of any traction company on the continent. The fact that the company has not been exploited on the behalf of the shareholders will work favorably to the latter, as the earnings that have gone back into the property will now be available for the purposes of property valuation, which valuation will form the basis of the proposed contract.

Capitalization—

	Authorized	Outstanding
Common	$22,000,000	$22,000,000
Pref. 7% cum.	3,000,000	3,000,000

Funded Debt—

Minneapolis St. Ry.		
Bonds, 7% .. .. Due 1925.	5,000,000	5,000,000
Bonds 6% .. .. Due 1932	224,000	224,000
Bonds 6% .. .. Due 1934.	456,000	456,000
Bonds 5% .. .. Due 1937.	3,708,000	3,708,000
Min. St. Paul Ry.		
Bonds 5% .. .. Due 1924.	500,000	500,000
Bonds 5% .. .. Due 1928.	10,000,000	10,000,000
Total	$19,988,000	$19,888,000
Annual interest charges		$1,101,200

Dividend Record—

Preferred dividends have been regularly paid, quarterly, Jan. 1, since issuance. Dividends on common have been paid as follows: 1899, 2½%; 1900. 3%; 1901, 4%; 1902 to Aug. 1, 1909, 5%; Nov. 1, 1909, to and including Jan. 1, 1918, at rate of 6% per annum; the April 1, 1918, dividend, was reduced to 1%; July and Oct. 1918 dividends passed; 1% paid Jan. 2, 1919; Feb. 20, 1920 (for 1919), 2½%; Jan. 3 1921 (for 1920) 3%; Feb. 10, 1922 (for 1921), 2%; July 1, 1922 (for 1922) 2%; Dec. 30, 1922 (for 1922) 2%; 1923, 6%.

Officers and Directors—

Horace Lowry, president; E. W. Decker, vice-president; T. Julian McGill, vice-pres.; A. M. Robertson, vice-pres. and secretary; W. D. Dwyer, gen. counsel; E. A. Crosby, treas.; D. J. Strouse, compt; Henry Doerr, E. Pennington, D. Goodrich, G. H. Partridge, C. Hayden, J. R. Mitchell, Frank Bergen, A. E. Ames, W. O. Washburn.

Market Record—

Year	Common High	Common Low
1912	109¼	101½
1913	109½	101....
1914	109	99¾
1915	101	93
1916	99½	93⅜
1917	95	62½
1918	65½	38¼
1919	58	33
1920	49	31½
1921	61½	34
1922	62¾	34½
1923	80¼	58
1924	69	50

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross revenue	$9,695,980	$11,442,444	$12,986.406	$13,865,581	$13,772,647	$13,463,111
Oper. exp.	7,940,425	9,571,397	10,956,341	12,130,172	11,166,249	11,677,039
	$1,755,555	$ 1,871,047	$ 2,030.065	$ 1,735,409	$ 2,606,398	$ 1,786,072
Other income	15,215	51,034	84,332	55,733	69,242	116,935
	$1,770,770	$ 1,922,081	$ 2,114,397	$ 1,791,142	$ 2,675,640	$ 2,668,137
Int. rentals, etc.	1,079,468	1,133,729	1,115,298	1,093,837	1,110,438	1,099,069
Pref. dividends	210,000	210,000	210,000	210,000	210,000	210,000
Com. dividends	440,000	550,000	660,000	440,000	880,000	1,320,000
Surplus	$ 41,302	$ 28,352	$ 129,099	$ 47,305	$ 475,202	$ 40,068
Rate earned on common	$ 2.19	$ 2.63	$ 3.59	$ 2.21	$ 6.16	$ 6.18
Rate earned on preferred	23.04	26.28	33.30	23.24	52.17	

Has Fixed Return On Its Investments

(Dominion Telegraph Company)

This was one of the pioneer telegraph companies of Canada but its lines are now leased by the Western Union Telegraph Company until June 1, 1978, for a rental equal to 6% on the capital stock. Thus there is never a great deal of fluctuation in the market price for the stock.

Capitalization—

	Authorized	Outstanding
Capital stock	$1,000,000	$1,000,000

Par value $50.

Dividend Record—

Six per cent. quarterly, 15th Jan., April, July and Oct. Every 15th July five cents per share is deducted for the Ontario corporation tax.

Annual Statement—

Year ending June 30, 1923.

Assets—	
Capital expenditure	$1,218,819
T. G. & B. Rly., 1983 bonds	1,557
	17,793
	$1,301,169
Liabilities—	
Capital paid-up	$1,000,000
Unclaimed dividends	292
Divid. paid 15 July..	15,000
Reserve account	591
	$1,015,883
P. & L. Balance	285,286
	$1,301,169

Officers and Directors—

Maj.-Gen. Sir Henry M. Pellatt, C.V.O., president; Commodore Aemilius Jarvis, vice-pres.; H. H. Macrae, sec.-treas.; J. C. Willever, E. Y. Gallaher, Maj.-Gen. Sir John M. Gibson, K.C.M.G., G. W. E. Atkins, F. LeM. Grasett, M.B., F.R.C.S.

Market Record—

Year	High	Low
1923	45½	41
1922	42½	36
1921	42½	32½
1920	45⅞	40
1919	45⅜	42½

PORTO RICO IS FIGHTING JITNEYS

Something About the Canadian Owned Traction System of Porto Rico

(Porto Rico Railways)

Porto Rico Railway has not made progress in its representations to have the unrestricted jitney competition, which has been making severe inroads on its income, curbed. The last annual report showed that the trolley and railway earnings were responsible for a decrease in net earnings and this was commented upon by President, W. D. Ross. It was stated at the time that the matter of jitney competition and also of extensions for the railway system were being taken up with the government and an agreement was hoped for. These negotiations have not led to an agreement as yet, though the Public Service Commission of Porto Rico has the matter under advisement. The company has for years been seeking changes in its franchise. A public hearing was promised some time ago and it is hoped that this will ultimately lead to a permanent solution of the difficulties.

In the power division there has been an increase in overhead. The company for the last couple of years has experienced a shortage of water which had restricted its power output. Plans have been formulated for enlarging this supply and it may be that the waters of the Rio Blanco can be successfully utilized if an agreement with the Public Service Commission can be concluded.

Capitalization—

	Authorized	Outstanding
Common ..	$3,000,000	$3,000,000
Preferred 7%	1,000,000	1,000,000

Funded Debt—

First mortge. 5%, due 1936	$3,000,000	2,390,000
Refund, gener'l. mrtge., 5% due 1962	£1,500,000	£ 265,000

Dividend Record—

Year	Pref.	Com.
1910	7%	—
1911	7	1%
1912	7	4
1913	7	4
1914	7	2
1915	7	—
1916	7	—
1917	7	—
1918	7	—
1919	7	—
1920	7	3
1921	7	4
1922	7	1
1923	7	—

Officers and Directors—

W. D. Ross, president, L. M. Wood, vice-president, S. J. Moore, Hon. W. B. Ross, K.C., A. E. Ames, D. E. Thomson, K. C., James Ryrie, V. M. Drury, Hon. Ramon Valdes, W. H. Chase, M. V. Domeneck, C.E., general manager, San Juan, P.R., G. Brewer, comptroller, T. A. Spoor, secretary, Toronto.

Market Record—

	Common High	Common Low	Preferred High	Preferred Low
1912	84½	70	—	—
1913	72⅛	50	—	—
1914	71	45	102½	101
1915	46	46	—	—
1916	49	32½	95	90
1917	42	25	80	80
1918	29	25¼	—	—
1919	35	23	—	—
1920	50	28½	79	60
1921	46	35	81	64
1922	30	25	82	70
1923	30	15	81	67
1924	25	17	75	66

PQRTO RICO RAILWAYS

Profit and Loss—

	1918	1919	1920	1921	1922	1923
Gross earn.	$1,035,955	$1,129,782	$1,402,736	$1,332,486	$1,330,446	$1,324,798
Expenses	605,863	693,842	839,666	866,770	813,607	891,445
Net earn.	$ 430,092	$ 435,940	$ 563,070	$ 465,716	$ 516,839	$ 433,353
Other income	16,537	23,603	54,484	42,877	13,905	13,967
	$ 446,629	$ 459,543	$ 617,554	$ 508,593	$ 530,744	$ 447,320
Interest	196,200	193,883	191,463	188,921	186,275	183,503
Pref. dividends	70,000	70,000	70,000	70,000	70,000	70,000
Com. dividends	....	....	90,000	120,000	....	....
Surplus	$ 180,429	$ 195,660	$ 266,091	$ 129,672	$ 274,469	$ 193,816
Bal. forward	123,084	203,513	289,172	415,264	432,936	557,405
	$ 303,513	$ 399,173	$ 555,263	$ 544,936	$ 707,405	$ 751,221
Deprec. reserve	100,000	100,000	100,000	100,000	150,000	100,000
Tax reserve	....	10,000	20,000	....	....	....
Reserve	....	....	20,000	12,000	....	....
	$ 203,513	$ 289,172	$ 415,264	$ 432,936	$ 557,405	$ 651,221
*Rate % earned on common	2.68	2.85	7.20	4.58	4.14	3.1

---

*After "Depreciation" but before charging off property account.

WE SPECIALIZE

in the securities of the following
Public Utility Companies

Avon River Power Company 6½% Bonds due 1953

Maritime Telegraph & Telephone Company all issues

Nova Scotia Tramway & Power Company all issues

Trinidad Consolidated Telephone 6% Bonds and Common Stock

Trinidad Electric 5% Bonds and Common Stock

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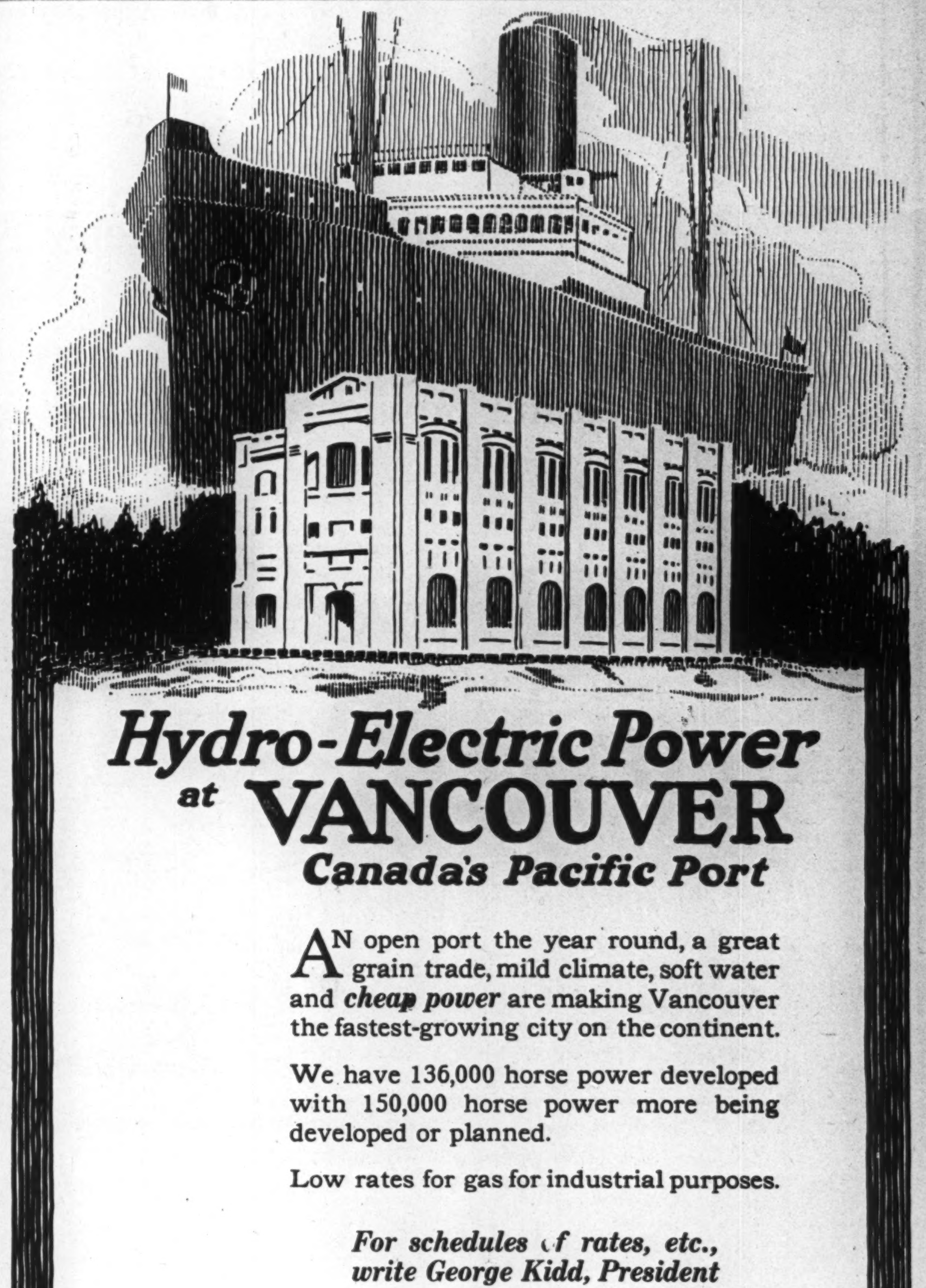


Hydro-Electric Power at VANCOUVER
Canada's Pacific Port

An open port the year round, a great grain trade, mild climate, soft water and *cheap power* are making Vancouver the fastest-growing city on the continent.

We have 136,000 horse power developed with 150,000 horse power more being developed or planned.

Low rates for gas for industrial purposes.

For schedules of rates, etc., write George Kidd, President

BRITISH COLUMBIA ELECTRIC RAILWAY CO.

SHAWINIGAN POWER

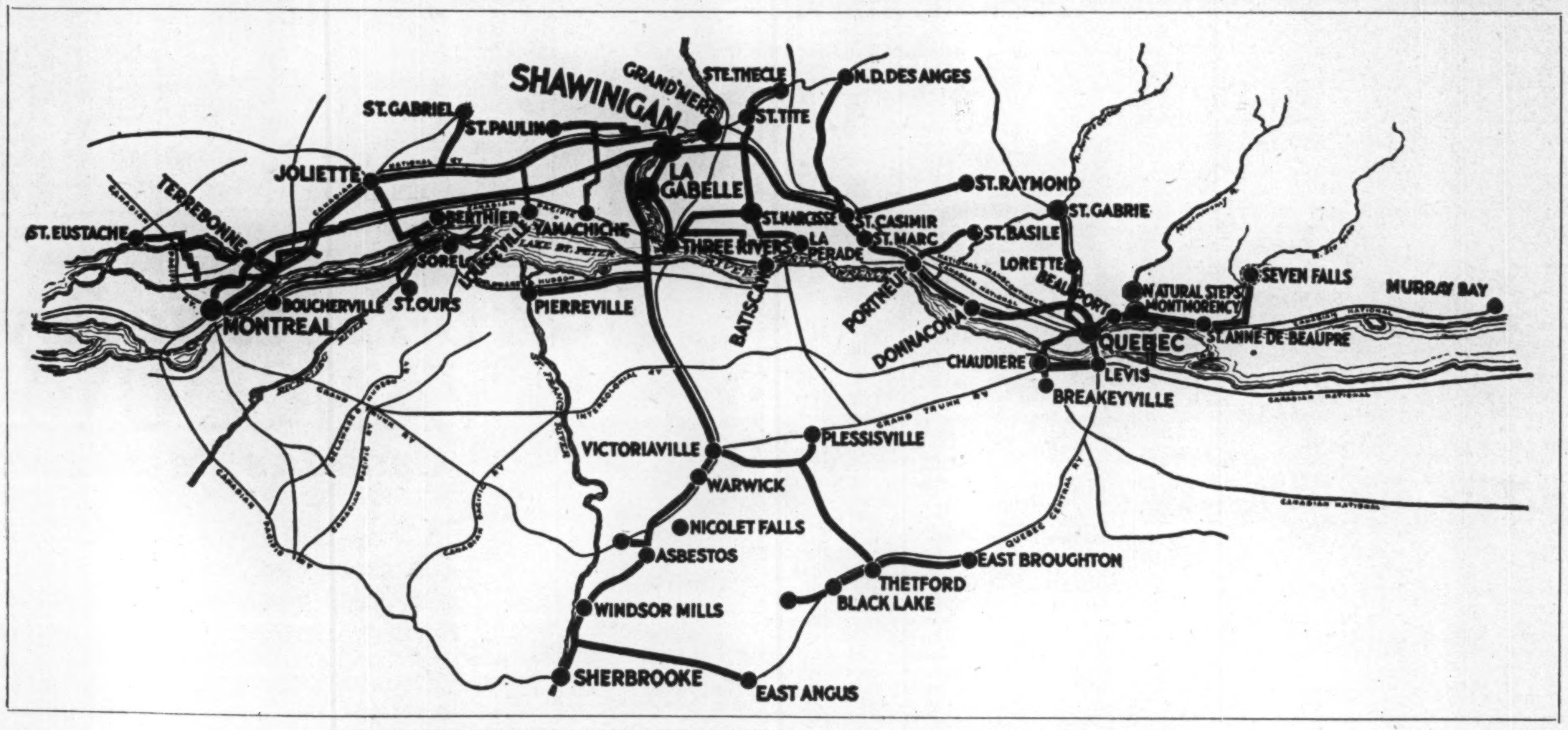
AEROPLANE VIEW OF PLANT OF SHAWINIGAN WATER AND POWER COMPANY AND TOWN OF SHAWINIGAN FALLS, P.Q.

The Largest Hydro-Electric System in Quebec

Generating Stations
- Shawinigan Falls
- Grand'Mere
- La Gabelle

Installed Capacity
- 1921 410,000 h.p.
- 1924 530,000 h.p.

Fifteen hundred (1500) miles high tension transmission lines delivering power to industrial centres of the Province of Quebec


SHAWINIGAN
GRAND'MERE
STE. THECLE
N.D. DES ANGES
ST. GABRIEL
ST. PAULIN
ST. TITE
JOLIETTE
LA GABELLE
ST. RAYMOND
TERREBONNE
ST. GABRIE
BERTHIER
YAMACHICHE
ST. NARCISSE
ST. CASIMIR
ST. EUSTACHE
ST. MARC
ST. BASILE
LA PERADE
THREE RIVERS
LAKE ST. PETER
SOREL
LOUISEVILLE
LORETTE
BEAUPORT
SEVEN FALLS
MURRAY BAY
NATURAL STEPS
MONTMORENCY
BOUCHERVILLE
ST. OURS
PIERREVILLE
BATISCAN
PORTNEUF
MONTREAL
DONNACONA
QUEBEC
ST. ANNE DE BEAUPRE
CHAUDIERE
LEVIS
BREAKEYVILLE
GRAND TRUNK RY
CANADIAN NATIONAL
PLESSISVILLE
VICTORIAVILLE
WARWICK
NICOLET FALLS
ASBESTOS
EAST BROUGHTON
THETFORD
BLACK LAKE
WINDSOR MILLS
SHERBROOKE
EAST ANGUS
QUEBEC CENTRAL RY
CANADIAN PACIFIC RY
ST. FRANCIS RIVER

MAP SHOWING TRANSMISSION LINES OF THE SHAWINIGAN WATER AND POWER COMPANY

Reliable and Dependable Power Available for Industrial Purposes at Advantageous Rates.

SHAWINIGAN WATER & POWER COMPANY
POWER BUILDING, MONTREAL

Featuring Resources of the Ottawa Valley

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Special Section 17-40 PUBLICATION OFFICE: TORONTO, JUNE 20, 1924 Special Section 17-40

WHY THIS SECTION

Attention is drawn in these pages to the natural and economic advantages of the Ottawa River Valley, the discussion centering around the cities of Ottawa and Hull.

Abundance of Water Power Gives Ottawa Valley Attractions for Industrialist and Business Man

At Present About 75,000 H. P. is Being Utilized in District, But There is 1,000,000 H. P. Available Within 50 Miles of Ottawa—Other Advantages of Ottawa, Hull and Surrounding Communities From Industrial and Investment Standpoint.

DEVELOPMENT of much new power in the Ottawa Valley, particularly in the Ottawa-Hull territory, gives immediate industrial prominence to this rich section of Canada. At the moment the Ottawa Valley offers to the capitalist and the industrialist everything that is needed for profitable investment in industry or many other lines of human business activity.

Just now about 75,000 h.p. of electrical energy, derived from water power, is available for domestic and industrial purposes in the cities of Ottawa and Hull and adjoining communities. But there is nearly a quarter of a million h.p. of water power within ten miles of the inter-provincial bridge connecting the two cities and over a million h.p. within a fifty mile radius.

Much of this power is now being developed. The Ottawa Light, Heat and Power Company, the Hull Electric and various industries have a considerable development at the present time at Chaudiere Falls, that striking cascade that flows over the rocky bed of the Ottawa River between Ottawa and Hull. At the same fall the Ottawa and Hull Power Company is now enlarging its development and through a subsidiary company is harnessing another powerful bundle of raw energy fifty miles up from Ottawa on the Ottawa River. This power will be brought to Ottawa and Hull by a transmission line that is to be built. On the Gatineau River, close to the city of Hull, the Hull Electric is going ahead with a development of 100,000 horse power while there has been some discussion of another 100,000 h.p. development on this river. Down the Ottawa of course there is a great deal of undeveloped power and there has been a great deal of discussion regarding its development. The chief project seems to be contingent upon permission being obtained for the export of power from Canada to New England manufacturing centres.

Much Dependable Water Power

Thus by all these developments there is being made available to Ottawa-Hull a great deal of power that can be delivered on an economical and dependable basis to industry. Many other advantages combine with ample and reasonable cost power to give Ottawa and Hull superlative attractions for manufacturers and investors.

Splendid industrial sites are numerous with trackage at present laid down. Fixed assessments may be obtained for a number of years in both Ottawa and Hull by manufacturers willing to erect plants. Labor supply is adequate and workers contented for the industrial position of the Ottawa Valley is already on a high plane. The Ottawa Valley is the largest lumbering centre in the world and with a normal average annual production of 450 to 500 million board feet of lumber a year. Ottawa-Hull is the centre for some of the world's largest factories producing paper, cardboard, tents and awnings, cement, matches, etc.

Transportation Arrangements Good

Transportation by rail and water is ideal. There are nine steam railways entering the city, eight water transport lines, and four express companies which connect with all the railroads in eastern and central parts of the United States. The water lines operate via the Rideau Canal to the St. Lawrence and the Great Lakes, Montreal and the Atlantic seaboard.

Freight rates to the great markets of Western Canada are the same per class per cwt. as rates from Toronto, London, Hamilton, Windsor and other Ontario industrial centres, with the advantage of one-half to two days' quicker service from Ottawa to Western ports, by reason of direct haul without transhipments, as is necessary on consignments of freight from points not on the main line of the great trans-continental railway lines like Ottawa is. This point is vital for the manufacturer and investor and all the more so when it is realized that Ottawa and Hull on eastbound and export traffic have the advantage in both rates and time over other cities by reason of location and more direct lines and transportation facilities between this point, the Atlantic ports and the United States, and that in addition they have woodworking, papermaking, and for kindred industries raw materials available in the city and within easy access.

It is important to remember that as an industrial centre Ottawa-Hull stands pre-eminent in wealth of opportunity. She has an abundance of cheap power, nearby sources of raw material, a plenitude of labor and good safe sound labor, excellent transportation facilities by water and rail with low freight rates, on national transcontinental routes.

CANADA'S EARLIEST ELECTRIC COMPANY

Pembroke Electric is Still Giving Service After Forty Years in Business

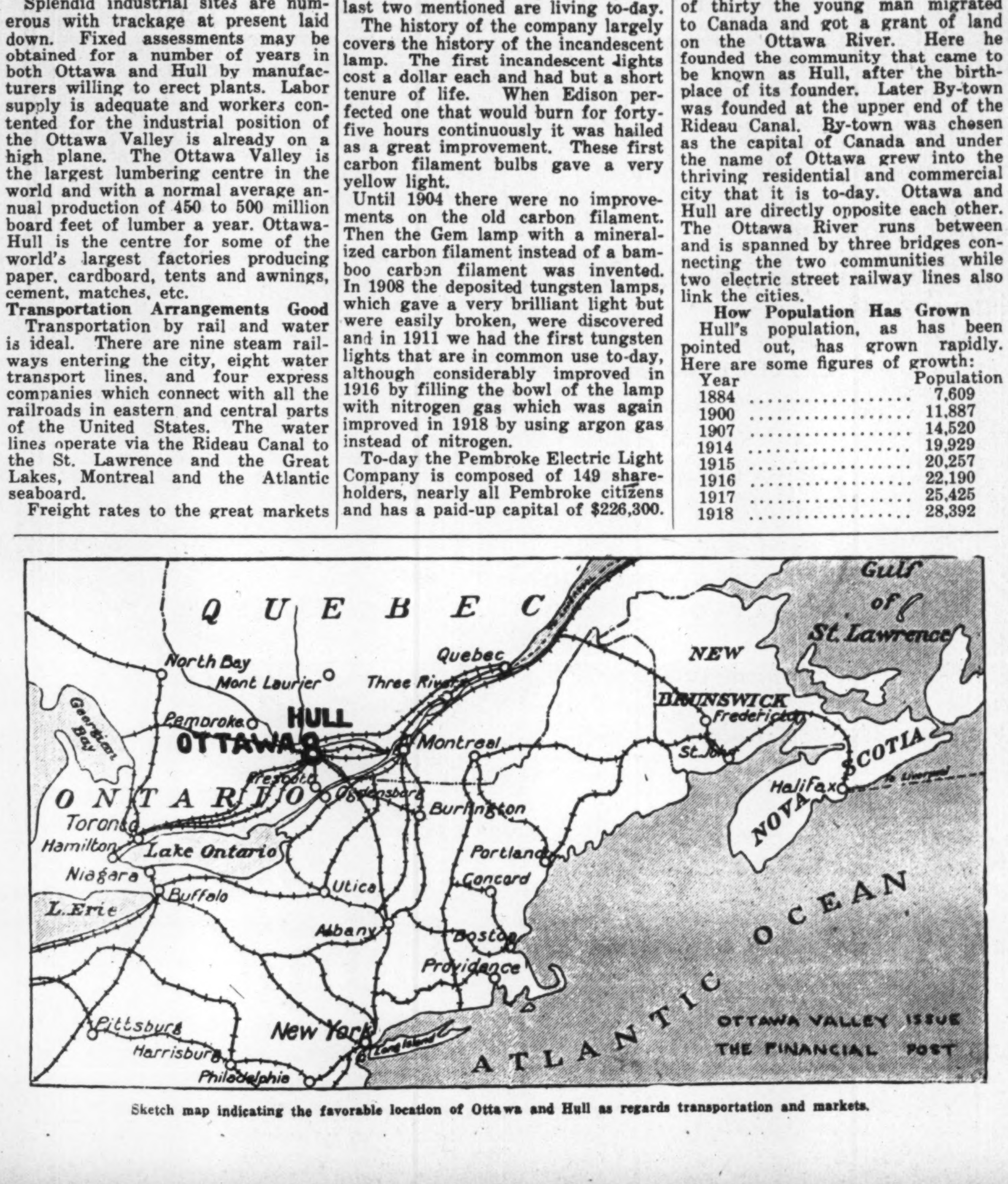
The Pembroke Electric Company, at Pembroke, Ont., claims the distinction of being Canada's pioneer electric light company. The plant was installed in a modest way in 1885 and sold power for commercial and street lighting.

This plant was operated until 1889 when, owing to lower water in the Muskrat river and increasing demands on the plant, a steam auxiliary plant was installed alongside the original building, and at that time the Pembroke Electric Light Company was incorporated and consisted of the following shareholders: Hon. P. White, W. B. McAllister, A. T. White, A. Foster, J. A. Thibodeau, Arunah Dunlop, G. Schmidt and T. H. Moffat. Of the founders of this company only the last two mentioned are living to-day.

The history of the company largely covers the history of the incandescent lamp. The first incandescent lights cost a dollar each and had but a short tenure of life. When Edison perfected one that would burn for forty-five hours continuously it was hailed as a great improvement. These first carbon filament bulbs gave a very yellow light.

Until 1904 there were no improvements on the old carbon filament. Then the Gem lamp with a mineralized carbon filament instead of a bamboo carbon filament was invented. In 1908 the deposited tungsten lamps, which gave a very brilliant light but were easily broken, were discovered and in 1911 we had the first tungsten lights that are in common use to-day, although considerably improved in 1916 by filling the bowl of the lamp with nitrogen gas which was again improved in 1918 by using argon gas instead of nitrogen.

To-day the Pembroke Electric Light Company is composed of 149 shareholders, nearly all Pembroke citizens and has a paid-up capital of $226,300.



Sketch map indicating the favorable location of Ottawa and Hull as regards transportation and markets.

Aeroplane view looking towards the City of Ottawa and showing a portion of Hull at the left. The big Booth mills will be seen and the control dam that makes possible the utilization of Chaudiere Falls for power development. The Ottawa and Hull Power Company, the Ottawa Electric Company and other developers of power control the dam.

Hull City Has Doubled Population In Past Decade and Still Grows

Industrial Development Has Been Remarkable in Recent Years—Eddy's is the Most Important of Hull's Factories—Canada Cement Company is Also There and Similar Important Plants

HULL has doubled its population in the last decade—since the outbreak of the war—which is a record achieved by few communities in Canada. This large growth has come as a result of the industrial development of the city, many new factories of various kinds having been established in Hull to take advantage of reasonable cost power that is available. Hull is in the province of Quebec and to many manufacturers there is a distinct appeal in the various laws governing industry in Quebec province as well as in the taxation systems in vogue.

Hull is the third city of Quebec province. It is now 127 years old, having been founded by Philemon Wright in 1796. Wright came from Hull, England, and with his parents had settled in Boston. At the age of thirty the young man migrated to Canada and got a grant of land on the Ottawa River. Here he founded the community that came to be known as Hull, after the birthplace of its founder. Later By-town was founded at the upper end of the Rideau Canal. By-town was chosen as the capital of Canada and under the name of Ottawa grew into the thriving residential and commercial city that it is to-day. Ottawa and Hull are directly opposite each other. The Ottawa River runs between and is spanned by three bridges connecting the two communities while two electric street railway lines also link the cities.

How Population Has Grown

Hull's population, as has been pointed out, has grown rapidly. Here are some figures of growth:

Year	Population
1884	7,609
1900	11,887
1907	14,520
1914	19,929
1915	20,257
1916	22,190
1917	25,425
1918	28,392
1919	30,536
1920	32,766
1921	33,672
1922	34,655
1923	35,500
1924	36,000

All but about 3,000 of the population are French-Canadians and the remainder are chiefly English. There are but few foreigners.

The city has many important industries. The factory of E. B. Eddy and Company is the most important. Eddy's manufacture pulp, paper, bags, matches and similar wood products. This industry dates from 1854 when Ezra Butler Eddy, a shrewd Yankee immigrant, came to Hull, rented a saw mill from the descendants of Philemon Wright and proceeded to go into the manufacture of matches. The Canada Cement Company has at Hull one of the world's largest cement plants. The plant has been idle for some years but it is now being remodelled and brought up to date. It is anticipated that it will be operating in the not far distant future. The Canadian Packing Company has a plant and there are a number of other industries in many lines.

City's Transportation Lines

Transportation arrangements at Hull are of the best. The city is on two transcontinental railways and connects with Toronto, New York and other centres by direct lines. The Ottawa Electric Railway connects with Ottawa while the Hull Electric has a traction system in Hull and suburbs running also to Ottawa.

There is an abundance of power for industry and for domestic purposes at rates that compare favorably with the power and lighting rates of any city in the world.

Hull sees many tourists every year.

A branch of the Canadian Pacific Railway runs from Hull north into the Gatineau Hills, far-famed for their rolling beauty and their fish and game attractions.

Aylmer Has Recovered Well From 1921 Fire

Now Shows Few Traces of Conflagration—Building Loan From Provincial Government Has Given Community Fine New Homes—Town Makes Bid for Industrial Expansion.

Three years ago the town of Aylmer a few miles from Ottawa and Hull in the province of Quebec was visited by a disastrous conflagration that destroyed a large part of the business section of the town.

To-day there is little trace of this great fire and Aylmer has risen from its ashes a more beautiful and livable town than ever before. On the very morning that the fire spent itself the citizens of Aylmer were making plans to rebuild their community. After the first work of caring for the persons immediately affected by the fire the construction work got under way.

Many fine stores and artistic residences have been built. The Quebec Provincial Legislature made a grant of $400,000 for reconstruction work. It was decided to loan this money at the very moderate rate of 3 per cent. per annum. Many of the citizens of Aylmer took advantage of the loan to build new homes. And it is an interesting fact that many people who had never before lived in Aylmer were attracted by the offer of building money at such a low rate of interest and moved their families and homes to Aylmer where they erected new houses. There are now many people living in Aylmer who work in the cities of Hull and Ottawa.

Having put its residential areas in order Aylmer is now making a strong bid for industrial expansion. The town council has expressed a willingness to grant a free site to approved industries and to get total exemption from municipal taxation. The Canadian Pacific Railway passes through the town and there is electric railway connection with Hull and Ottawa.

Power is available in ample quantities at low rates, there being a main power house at Deschene Rapids just below the town. However there will be a great deal more power available shortly for power is being developed up the Ottawa River a few miles from Aylmer and the power lines to Ottawa from this development will pass through the town providing ample power at low cost.

All the necesary modern improvements, water, light, sewers, sidewalks, etc., are available in Aylmer. Its chief advantage from the standpoint of industry is the fact that workers will find in the town a community worth living in.

STRATEGIC LOCATION OF OTTAWA VALLEY

Freight Rates Give District Same Advantages as Other Industrial Territories of Canada

The Ottawa Valley is strategically placed geographically for distribution of merchandise. Ottawa for instance, is 115 miles northwest of Montreal; 256 miles northeast of Toronto and 600 miles north of New York, being in direct rail contact with all of these cities. Transportation by rail and water are ideal.

Freight rates to the great markets of Western Canada are the same per class per cwt., a recent circular of the Ottawa Board of Trade pointed out, as rates from Toronto, London, Hamilton, Windsor and other Ontario industrial centres. Ottawa and Hull point out that they have a distinct advantage of one-half to two days quicker service to Western points by reason of direct haul.

Bringing in raw materials can be accomplished in equally advantageous and economical fashion.

Many Tourists Now Come To the Ottawa Valley Over New Highways

Ottawa is Labeled Canada's Most Beautiful City and Hull is Clearing Centre for the Sporting and Fishing Districts in the Gatineau Hills and the Upper Laurentians.

THE Ottawa Valley is acquiring a widespread reputation as a tourist centre. Ottawa is the most beautiful city in Canada. This is to be expected of the capital of the country, for millions of dollars have been spent by the Dominion Government in fine public buildings, shaded driveways, and similar improvements. Hull is the clearing house for fishermen and sportsmen going into the Gatineau Hills and the upper Laurentians as well as up the Ottawa River.

Millions of dollars have been spent in the last few years in road improvement both by the Canadian Government and by the Quebec and Ontario Provincial Governments making Ottawa and Hull accessible from all directions. A million dollar highway linking Ottawa and Hull with New York State at Prescott and Ogdensburg is now ready for tourists, although the final surface has not been placed. From the two cities radiate in every direction improved highways of a permanent nature giving free access to the rich agricultural sections or the numerous resorts by hill and water. Nothing finer can be found anywhere than the picturesque Gatineau District which is just becoming known to those from a distace.

Why Tourists Should Come

The attractions in the Ottawa-Hull District for the tourists are numerous. The beautiful Parliament Buildings—newly rebuilt—the National Art Gallery, the Geological Museum, Rockcliffe Park are among the attractions of Ottawa.

The J. R. Booth lumber mill, the largest in the world, and the E. B. Eddy Company's match factories and paper mills at Hull are plants of considerable interest. In the fall the Central Canada Exposition, which is held for a week, commencing the second Monday after Labor Day, provides an elaborate display of livestock, agricultural and industrial development and educational features. Last year there were over 400,000 admissions to the fair and the slogan for 1924 is "Half a Million Admission This Year."

Other Attractions of Centre

In the winter time skiing, hockey, snow shoeing, and other winter sports bring tourists from all over the United States and Canada to Ottawa. In the summer time boating, golfing, and fishing are indulged in.

Automobile tourists will find it possible to take full advantage of the attractions of the district because the Ontario Government has arranged for camp sites in various centres and along the highways to Ottawa. Ottawa city has already provided a splendid camping place in Lansdowne Park situated well within the city limits and traversed by the government driveway.

CAPITAL IS ALSO INDUSTRIAL CENTRE

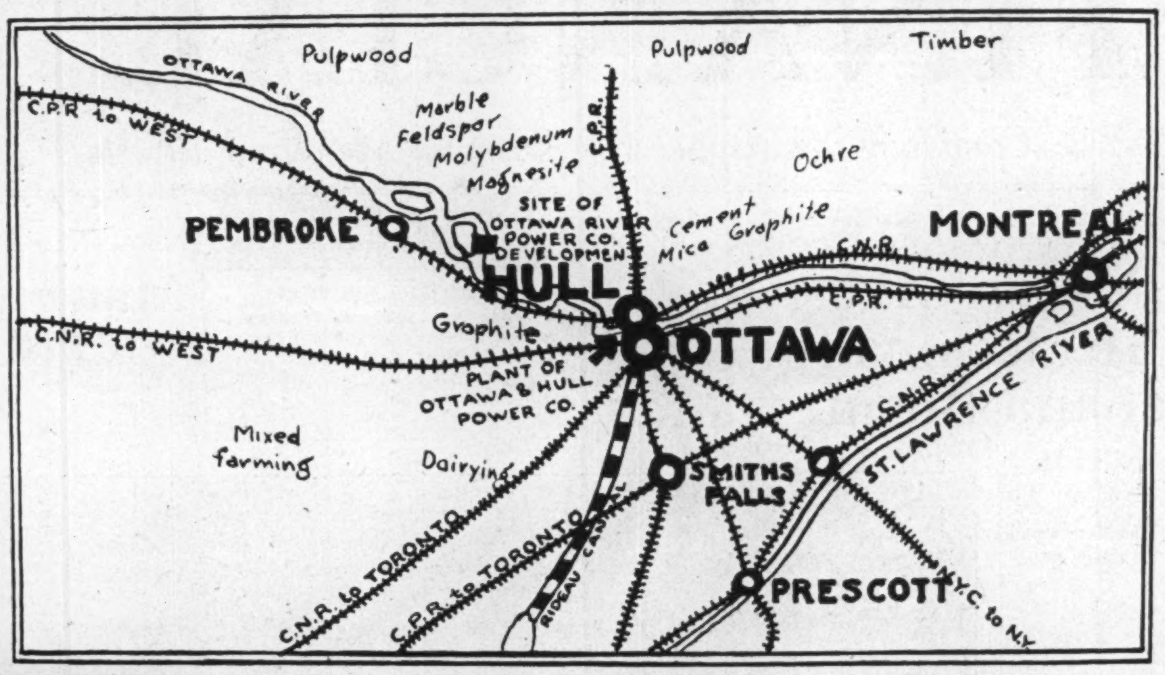
Ottawa is a City That is Both Nation's Government Seat and Home of Many Factories

It is not often that the capital city of a country combines so well the elements of beauty that is necessary in a fine capital city and of industrial growth.

Ottawa has grown industrially in sound and steady manner and other cities in the Ottawa Valley such as Hull, Pembroke, etc., have grown industrially to an even greater extent when their comparative size is considered.

The reason is of course the presence of so much cheap power and the central location of the Ottawa Valley as in relation to both raw materials and markets for finished products.

Ottawa, it will be remembered, was chosen by Queen Victoria as the site for Canada's capital city. The city was then the village of Bytown. Montreal and Toronto were jealously fighting each other for the honor of being the site of government. Kingston and Quebec also expected the privilege. The Queen solved the problem by picking out a spot on the map half-way between the east and the west. The spot happened to be Bytown.



Map showing resources and strategic transportation advantages of Ottawa, Hull and the Ottawa Valley.

Raw power to be developed by Ottawa River Power Company, Limited.

Plant of the Ottawa and Hull Power Company, Limited.

Nature's Power for Industry

Dependable and Economical

In The Ottawa-Hull District

What the Ottawa Valley Offers to Industry and Capital

POWER: Ample power at moderate rates from the Ottawa and Hull Power Company.

TRANSPORTATION: Ottawa and Hull are on the direct lines of two transcontinental railways—The Canadian National and The Canadian Pacific, and is the northern terminus of the New York Central. Branch lines radiate to Toronto, Cornwall, and other centres.

FACTORY SITES: Plenty of industrial land is obtainable on satisfactory terms.

LABOR: Because of fine residential conditions, large stores, good schools, etc., labor is attracted to Ottawa and Hull. The presence of many large industries in both cities at the present time gives color and variety to the district's labor supply.

NAVIGATION: Ottawa-Hull is the terminus of the Rideau Canal linking with the Great Lakes.

RAW MATERIALS: Northward, eastward and westward of Ottawa lie vast forest areas providing the raw material for lumber, pulp, paper and other wood using industries.
Large and deep rivers provide natural highways to bring the wood to the mill. Indicative of the richness of the Ottawa Valley is the fact that within a few miles of Ottawa-Hull are to be found: mica, cement, magnesite, lead, feldspar, graphite, building stone, peat, furs, timber and pulpwood.

MARKETS: Besides providing excellent connections with domestic and foreign markets, the Ottawa Valley has a well-developed home markets. Ottawa being the capital of Canada thrives on a continuous tourist and business traffic. The population of the Ottawa Valley, rural and urban, is over 250,000. Ottawa and Hull are on the border-line between Ontario and Quebec which contain 60% of Canada's population.

INDUSTRIES and plants can come to the Ottawa-Hull district with assurance of ample supplies of dependable electrical energy, available at reasonable rates. The Ottawa and Hull Power Company produces at Chaudiere Falls, between the cities of Ottawa and Hull, 40,000 h.p. of electrical power which it sells to power users in the district in and around these two cities. Through a subsidiary company, The Ottawa River Power Company, it is developing additional power at Bryson, Quebec, fifty miles from Ottawa. This power development will ultimately produce 67,500 h.p. and will give the Ottawa and Hull Power Company resources of 100,000 h.p. to provide the foundation of a great industrial development in the Ottawa Valley.

The territory served is a district rich in available raw materials and at present a centre of lumber, pulp, paper and general manufacturing, offering to capital excellent opportunities for sound and profitable investment.

Among the corporations now being supplied with power by this Company are:

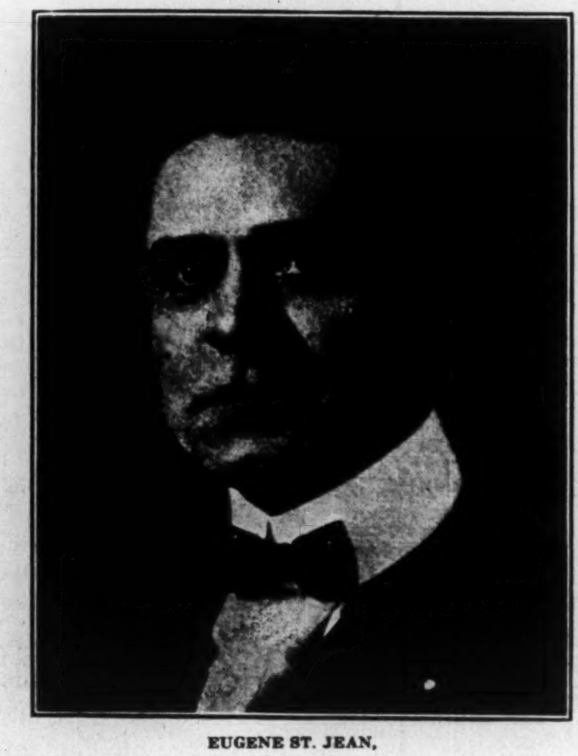
City of Ottawa Hydro-Electric Commission,
Canada Cement Company, Limited,
British American Nickel Corporation,
Ottawa Electric Company,
Hull Electric Company,
City of Hull,
E. B. Eddy Company, Limited,
Ottawa Electric Company.

For further information regarding rates for power, sites for industry, etc., write the Ottawa and Hull Power Company, Limited, Dominion Express Building, MONTREAL.

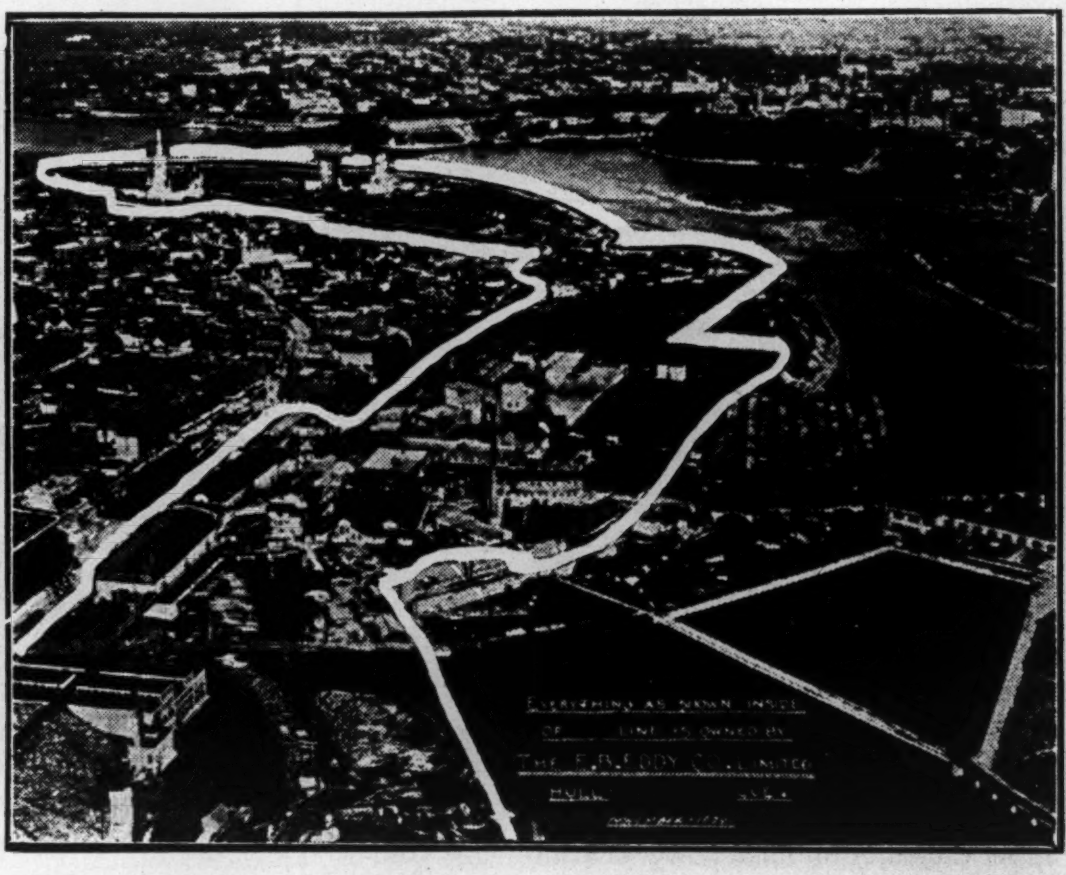
Ottawa and Hull Power Company, Limited
Ottawa River Power Company, Limited

Fiscal Agents: **Nesbitt, Thomson & Co., Limited, Montreal**

Bring Your Industry to Hull, Quebec, Canada



EUGENE ST. JEAN,
Industrial Commissioner.



Aeroplane view of City of Hull.

Pay Us a Visit and see Hull for Yourself

What Hull Offers to the Manufacturer

Ample Land at Low Cost

1 It offers you AMPLE LAND—room to develop—at low cost. The map shows the many splendid sites available for new plants. Not only is the price of this land low but the Hull municipal tax rate is low.

Fixed Assessment for Fifteen Years

2 To encourage manufacturers to locate here and to assist in their early development, the City has agreed to grant a fixed assessment on the land for fifteen years. More than this—it will allow improvements to go **Tax Free** for the same period. This is a straight, bonafide proposition—written in black and white in the City's records.

Abundant Supplies of Cheap Power

3 Now add to this big saving the fact that you can get in Hull, **Electric Power** at as reasonable rates and in greater abundance than anywhere else in Canada. Within a few miles of Hull there is available over 1,000,000 horsepower. Low transmission costs mean cheap power. Over 75,000 horsepower is now being developed. Companies already organized are developing more power. That solves your power problem—the modern form of power at low cost.

Power for industry at Hull.

Some Industries In Hull

Canada Cement Company
Woods Manufacturing Company
Hull Knitting Company
E. B. Eddy Company
Hull Iron and Steel Foundries
Hansons Socks
Gilmour and Hughson
H. Dupuis and Sons
The Mica Co. of Canada
Canadian Packing Company

Satisfied Labour

4 Now study the **Labour** question. Hull has a population of over 36,000. More than 80 per cent. of these people are of the labouring class. But here's the big point—**Ninety** per cent. of these workers own their own homes. That means stability—workers you can depend upon. Practically all live within fifteen minutes' walk of any job in the city—they can walk home to lunch. That means contented workers. In addition, Hull is well served by street railways.

Strategic Transportation Facilities

5 Again, few cities on the continent enjoy such splendid **Transportation** facilities as Hull. There are 9 different complete railway lines running out of the city. Many of the sites available for manufacturing plants are right on the railway. Private sidings can be used—there are no extra charges for shipments billed to these private sidings.

Shipments can be made **direct** to the seaboard either by rail or boat. Shipments to or from New York State also go **direct.**

In addition Hull has first-class roads, being the terminus of the new Hull-Montreal Highway and the starting point of the Gouin Highway, both Quebec Government roads. It is directly connected with the big cement highway now being built by the Ontario Government. Manufacturers who have trucking to do will appreciate this advantage.

Availability of Raw Materials

6 Your only other big problem in choosing a site is the question of materials. Hull is right in the heart of the best lumber district in the world. And in this same district are produced cement, sand, asbestos, mica, iron and many of the needed metals.

In Hull We Have

No Municipal Income Tax.
No Workman's Compensation.
No Business Assessment.
No Minimum Wages.
No Labour Disturbances.
No Women's Pensions.

INVESTIGATE HULL BEFORE YOU DECIDE

For information in connection with this page, write Eugene St. Jean, Industrial Commissioner, Box 144, Hull, Que., Can.

Ottawa's Public Service Companies

Chaudiere Falls, source of energy for industries, homes and utilities of Canada's Capital.

A Pioneer in Community Service

FOR thirty-seven years citizens of Ottawa and Hull have enjoyed an electric light and power service that compares favorably in efficiency and economy with that of any other city in Canada.

The Ottawa Electric Company division of the Ottawa, Light, Heat and Power Company, has in service 1,150 miles of wire and over 18 miles of conduit reaching in every direction and covering all Ottawa and its suburbs. The Company was the pioneer of incandescent electric lighting in Canada, having first introduced it in Hull and then in Ottawa in 1887.

From modest beginnings the Company has, by diligence in public interest and economical distribution of power to an ever-increasing clientele, grown to be an important public utility operating efficient plants, which represent a cash investment of several millions of dollars, serving faithfully a community of over 150,000 people.

It owns three modern hydro electric plants with an aggregate capacity of 13,000 horse power. In addition, it has a modern steam plant of 6,500 horse power capacity, which is kept in a high state of efficiency so that an ample reserve of power is available to the public at such times as water powers are adversely affected by drought, ice or other causes. Additional power is available from other sources.

Ottawa Electric Company is giving excellent service to 20,000 customers. It is in a position to give equally satisfactory service to new industries and the new citizens they will bring to Ottawa and at rates that compare favorably with the rates in any other city in the world.

Ottawa Electric was a pioneer in this type of community service and it is still a leader, always to be relied upon.

> *"Public utilities are the heart of the community. No city can grow more rapidly than its public utilities."*

Serving Ottawa for Seventy Years

SEVENTY years ago the Bytown Consumers Gas Company introduced the citizens of Bytown to the wonders of illuminating coal gas.

Bytown is now Ottawa and the gas company now the Ottawa Gas Company division of the Ottawa Light, Heat and Power Company.

Faith in the future prompted the courageous pioneers of industry who built this company. Their faith has been justified by the tremendous growth in population and importance of Ottawa. The Ottawa Gas Company has been a potent faith in facilitating that growth.

The company has, through conscientious effort, kept pace with the city's growth. It has built up a plant and organization, at a cost of several millions of dollars, which unfailingly delivers no less than 500,000,000 cubic feet of gas each year through 145 miles of gas mains to more than 17,000 satisfied customers.

Citizens of Ottawa are pleased with the ideals of Public Service that have been so consistently upheld by the Company that supplies gas service to their prosperous and growing community. That is why such an exemplary condition of goodwill and confidence exists between the company and its customers.

Manufacturers and other types of investors in enterprises in Ottawa find the substantial, consistent service of the Ottawa Gas Company one of the strongest stones in the foundation on which Ottawa's industrial and community prosperity is built.

The "Old Reliables"

The Ottawa Electric Co. The Ottawa Gas Co.

Sound Business Built Upon Satisfactory

Service To Satisfied Customers

The Ottawa Light, Heat and Power Company, Limited

Canada's First Electric Railway

IT REMAINED for the founders of the Ottawa Electric Railway Company to demonstrate to the world that an electric railway could be operated in Canada.

Until Thomas Ahearn and Warren Y. Soper gave Ottawa the first electrically-operated railway in Canada (and the second anywhere on the continent) it was generally agreed that no electric traction system could be operated in Canada. Problems of ice and snow removal were too great to be solved. But Ahearn and Soper accomplished the "impossible" and since they built the Ottawa Electric Railway Company, dozens of other similar systems have been built to serve the citizens of Montreal, Ottawa, Hamilton and other Canadian cities. But the system that is now the Ottawa Electric Railway Company was the pioneer.

Prior to 1891 Ottawa was "served" by a system of horse-cars. A group of Toronto people went to Ottawa's City Council with a proposition for a franchise for an electric street railway. The council was prepared to grant the franchise but at the last minute the Toronto promoters fell down; failed to deposit the cheque that was to bind the bargain. At this stage, Messrs. Ahearn and Soper, two Ottawa men, stepped in to fill the breach. They put up a deposit of $5,000 and were given the franchise. They built the railway and moreover worked out methods to solve the problems of operation in the winter. The line attracted from the start the attention of street railway men from all over the world. Since the first car was run out of the barns of the Company in June, 1891, the highest standards of public service have been maintained. The condition of the line and of the rolling stock is always one of up-to-dateness and efficiency. Extensions to new areas have always come quickly when needed.

Few cities the size of Ottawa have such a modern and efficient street railway system. And following out the policy of the founders of the road, the best attention to public needs and public comfort will be given in the future. Which is just what the citizens of a prospering and progressing community have a right to expect from their public service companies.

The Ottawa Electric Railway Co.

To the Front in Peace and War

ONE of the important factors in the growth of Ottawa has been the Ottawa Car Manufacturing Works, Limited. In times of peace it has been one of the leading car plants of Canada, turning out street cars and practically every other kind of vehicle, to aid in the building up of community and national transportation systems.

During the great war the plant was the only one in Canada that was able to fill demands for gun carriages for the allied armies. The work demanded the highest degree of accuracy. It meant practically perfect workmanship under remarkable conditions of speed and stress. But the Ottawa Car Works measured up to the demands upon it. Other plants essayed the task and failed, but from this plant hundreds of gun carriages went forth to be used in the great fight.

Thus the company demonstrated its right to be considered one of Canada's important industrial units in war or peace.

The Ottawa Car Manufacturing Works, Limited

Serving "The WASHINGTON of the NORTH"

Ottawa is "The Washington of the North" But Has Also Industrial And Commercial Significance

City Has Estimated Population of 155,000—Many of the Citizens Are Civil Servants of Established Buying Power—World's Largest Lumbering Centre With Great Mills of J. R. Booth — City's Motto "Advance" is Also the Watchword of the Capitol's Citizens.

OTTAWA people estimate that their city has a population of 155,000 which puts it among the largest Canadian cities. Ottawa has grown because it is the capital of Canada and, as such, houses the activities of thousands of workers in the civil service of the country. Ottawa is called the "Washington of the North" but it is much more than that for in addition to the purely governmental activities of the community Ottawa has developed a broad and interesting industrial life. It is, for instance, the world's largest lumbering centre. The great Booth Mills at Ottawa, founded by that indefatigable pioneer, John R. Booth, have no peer for size.

Ottawa as a commercial and industrial centre has a history that is inspiring to read. Long before the white man saw the Ottawa River the commercial advantages of Ottawa were realized by the Algonquin Indians. Here was the yearly goal of trading expeditions of Indian tribes who lived thousands of miles apart. Ottawa's great "Central Canada Fair" of to-day had its inception, it would perhaps seem, in the annual fairs of the Indians at Chaudiere Falls.

The First White Settlers

Later came the English. Philemon Wright founded Hull in 1797 but the first white man moved across to the Ottawa side of the river in 1811. That was the beginning of the city. The Rideau Canal was built a few years later, chiefly as a military undertaking but it gave new eminence to Bytown—which was Ottawa's early name. The construction of lumber slides in Ottawa added to the town's prestige. In 1853 a saw mill was erected and from then on progress was rapid as Ottawa's strategic advantages became known.

According to Might's directory of the city, Ottawa has to-day a population of over 155,000 inhabitants, which number is increasing at a rapid rate every year. This is not the census figure but the city directory estimate which may be a bit optimistic. It covers an area of 5,295½ acres, or approximately ten square miles. It has an assessed value of rateable property, which does not include the Parliament Buildings and Government Departmental Buildings, of over $140,000,000. Within the boundaries of the city there are sixty-five miles of paved streets, 230 miles of paved walks, 201 miles of water mains, and 152 miles of sewers, and 55 miles of street railways. Government owned buildings valued at over $30,000,000, the total taxable real estate in Ottawa for 1922 was $137,059,227.

Growth to Present Size

Ottawa's growth since Confedera- has been sure and steady depending on no booms. An examination of the following table bears this fact out, taking ten-year periods.

Year.	Population.
1828	1,000
1847	5,000
1848	6,275
1857	7,760
1860	18,700
1870	20,561
1880	24,025
1890	43,122
1900	58,195
1910	86,106
1919	127,458
1920	135,154
1921	143,402
1922	150,000
1923	155,000

The story of Ottawa from 1867 down to the present date is the story of the growth of a great national capital. When it is realized that the annual pay list of the Government to its servants who live in Ottawa is $12,000,000, and that this sum is paid out to 12,000 people who spend the most of it in Ottawa, an answer is given at once to the question--why is Ottawa always prosperous from a merchant's standpoint.

Ottawa is located 115 miles northwest of Montreal, 256 miles northeast of Toronto, and 600 miles north of New York City, being in direct rail contact with all three cities.

With the closing of the war and the readjustment period safely passed Ottawa has already shown that she is still true to her motto, "Advance." Great expansion in trade and industry is already shown. The past decade shows vast advancement. As the city that acts responsive to the heart beat of the nation, Ottawa with its boundless resources, scenic as well as industrial, will in the next decade double in population and quadruple in the values of its assessable property, according to the prophecies of residents who have watched the city's growth in the past. In the centre of a great water power area, Ottawa with its abundant power is bound to attract new industries and greater wealth. With the same indefatigable energy as was shown by the pioneers of Bytown, by the fathers of the new city, Ottawa the Beautiful, present sons and daughters of Ottawa and their children will make Ottawa one of the great, rich and noble capitals of the world.

Street Railway Systems Have Better Times Ahead of Them

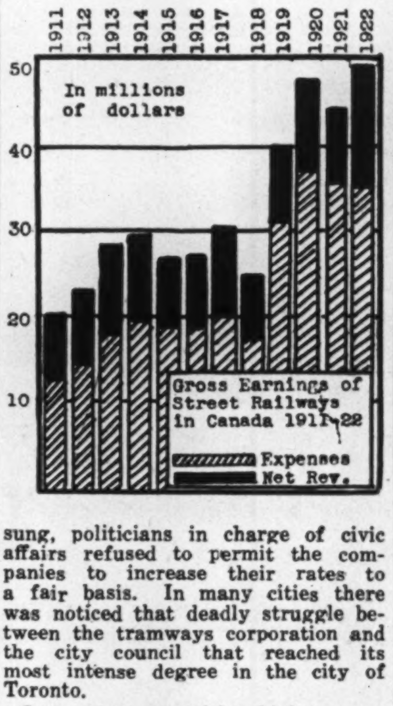
Less Fighting Now Between Private Capitalists and Civic Corporations—Expenses Declining and Fairer Rates Are Being Allowed

STREET railway operation in Canada is getting back to normal again and street railway systems that went behind a great deal in the period of stress of war time and after are now earning their interest charges and even dividends. The improvement has recently been very marked and while the net operating revenues of Canadian street railway systems in 1921 amounted to $8,500,000 they were more than $5,000,000 greater in 1922. Complete figures for 1923 are not yet available.

A great many Canadian street railway systems have passed from private ownership into the hands of the public but this tendency has practically ceased. In fact it is quite likely that the movement in the future will be in the other direction with publicly owned street railway systems being gradually sold to syndicates of capitalists who will operate them within large central management structures and upon different kinds of "service-at-cost" plans.

Better Understanding Now.

This movement is likely to be facilitated because of the closer understanding between capital and the public in public utility matters, a situation that is noticed not only in Canada but in the United States and other countries. Before the war when five cent fares and even cheaper fares were in vogue there was a great profit for the operators of street railway systems, but the heads of most of the systems cared little for the public good-will and did not attempt to gain it. As a result, when the war brought increasing costs of operation and the death knell of the five cent fare was sung, politicians in charge of civic affairs refused to permit the companies to increase their rates to a fair basis. In many cities there was noticed that deadly struggle between the tramways corporation and the city council that reached its most intense degree in the city of Toronto.

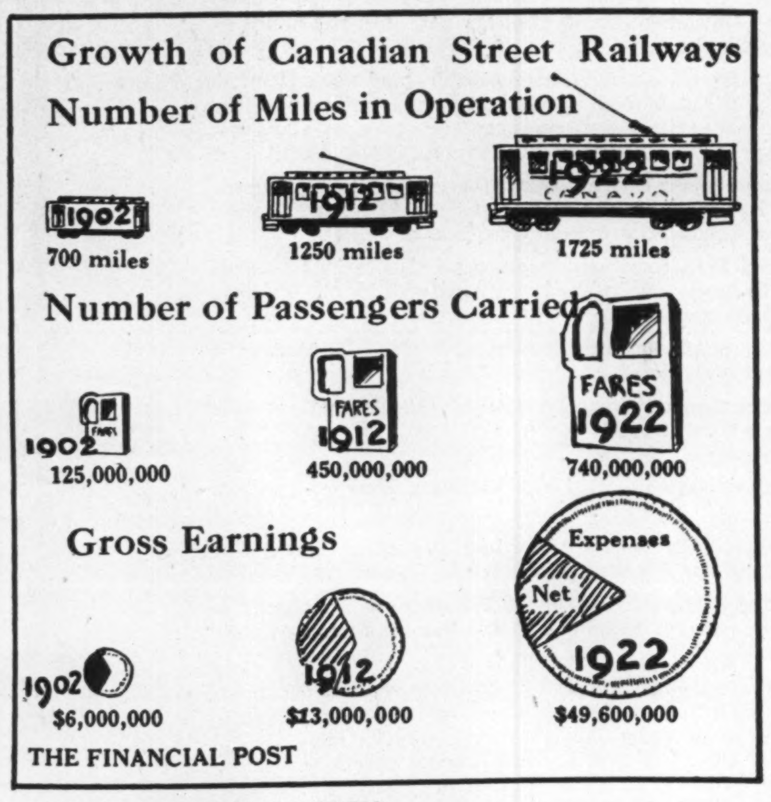


In some communities higher rates were obtained without guarantees; in other communities these rates were obtained upon the basis of a service at cost plan such, for instance, as Montreal has; some cities bought out the street car systems, usually to find that they were in such run down condition due to the deadlock between private capital and community selfishness that millions of new money had to be spent on improvements and so the rates that had been denied the private company had to be charged or increased under public ownership.

Public Ownership Dying Out

The movement for public ownership of every utility is subsiding in Canada and it is likely that private capital, when fairly directed, will be given more encouragement for the construction of utilities where and when needed. The same change in public sentiment which is in evidence in this situation is bringing about better operating conditions for the companies in the field and with costs of operation declining many of them are beginning to earn fair returns on their investments.

Canadian street railway systems, both publicly and privately owned have gone through their worst days and more prosperous times seem to be definitely ahead.



HOW STREET RAILWAYS EARNINGS ARE IMPROVING

	1918* $ cts.	1919 $ cts.	1920 $ cts.	1921 $ cts.	1922 $ cts.
Earnings and Income—					
Gross earn. frm. oper....	24,299,889.69	40,698,585.89	47,047,245.95	44,536,832.53	49,660,485.05
Operating expenses	17,535,974.63	31,385,702.34	37,242,483.01	35,945,315.71	35,986,871.67
Net operating revenue ..	6,763,915.06	9,312,883.55	9,804,762.94	8,591,516.82	13,673,613.38
Miscellaneous Income ...	2,311,176.60	2,921,097.58	3,316,664.60	3,651,524.38	4,195,536.21
Total corporate income .	9,075,091.66	12,233,981.13	13,121,427.54	12,243,041.20	17,869,149.59
Deductions from Income—					
Taxes	2,122,618.84	2,590,133.94	3,119,632.16	2,833,736.62	1,730,718.97
Interest—funded debt ..	2,784,848.84	4,043,650.52	4,777,502.53	4,856,706.27	6,545,825.72
Interest—floating debt . .	978,874.63	936,177.33	1,171,049.88	1,163,865.06	816,406.59
Other deductions	263,731.90	960,053.15	962,885.04	1,257,727.16	1,467,251.23
Total deductions	6,150,074.21	8,529,914.84	10,031,069.61	10,112,035.11	10,560,202.51
Total net income	2,925,017.45	3,704,066.29	3,090,357.92	2,131,006.09	7,308,947.08
Deductions from Net Income—					
Reserves, etc.	1,466,339.35	1,810,796.57	2,135,539.75	2,323,751.42	4,664,822.14
Dividends	1,671,358.93	2,684,728.50	3,376,104.50	2,279,889.55	2,554,567.82
Total	3,137,698.28	4,495,526.07	5,511,644.25	4,603,640.97	7,219,389.96
Deficit	212,680.83	791,459.78	2,421,286.32	2,472,634.88	**89,557.12

*1918 to June 30, other years to December 31.
**Surplus.

NEW BRUNSWICK WILL DEVELOP GRAND FALLS

But as This is an International Project, Co-Operation of United States Necessary

Premier P. J. Veniot of the province of New Brunswick, Canada, recently announced that the provincial government will undertake the development of the power site at Grand Falls on the St. John River. Harry G. Acres, hydraulic engineer of the Ontario Hydro-Electric Power Commission, recently made a report to the New Brunswick Provincial Government on the power possibilities of this site in which he stated that the ultimate capacity would be from 120,000 to 140,000 h.p., but that as the St. John River is international in character and as the greater part of the area available for storage reservoirs lies within the State of Maine, the storage available in Canada would provide only from 60,000 to 80,000 h.p.

According to Premier Veniot's statement, the provincial government will not undertake actual construction until the co-operation of the United States Government has been secured.

GIGANTIC QUEBEC POWER PLANT IS WELL ADVANCED

Quebec Development Company Spending Millions on Enterprise

TWO BIG SCHEMES

After Power From First is Sold, Duke-Price Group Will Build Second Big Power Plant

THE gigantic power development of the Quebec Development Company at the Grand Discharge of Lake St. John, thirty miles west of Chicoutimi, promises to exceed in magnitude and result anything as yet undertaken in the development of the natural resources of the province of Quebec. Work has been proceeding on the development for over a year and is now well advanced. Hundreds of men are busy on the site building dams, power houses and the attendant railway line, workers' homes, stores, etc.

The Quebec Development Company, which is behind this project, owns in fee simple the water power rights on that stretch of the Saguenay River between Lake St. John and Kenogami. Between these two points, a distance of about 25 miles, there is a drop of 300 feet and it is in this area that two power developments are planned.

The upper one, on the Grand Discharge, is located at Ile Malignes, six miles below the outlet of Lake St. John, and will give a head of 100 ft. It is here that work is now under way on a preliminary development of about 225,000 h.p.

The scene of the intended lower development is a few miles above the mouth of the Shipshaw River, which runs into the Saguenay and will give a head of 200 feet.

Like a Natural Reservoir

The discharge of the flow from Lake St. John, which has a drainage area of about 30,000 square miles, will be regulated to a minimum of 22,000 second feet by a dam which is now being built at the upper development, the lake thus performing the functions of a storage reservoir. The capacity of the power plant at Ile Malignes will ultimately reach 390,000 h.p., and will entail an expenditure of approximately $12,000,000. In all, close to a million horse power can be developed at both sites.

The Quebec Development Company has already disposed of 200,000 h.p. to Price Bros. and Company, the big Quebec newsprint manufacturers, who have undertaken to build a new paper mill with a capacity of 600 tons daily. All machinery in this mill will be operated by electric power and the boilers heated electrically. It is estimated that this huge mill will cost in the neighborhood of $15,000,000.

Complete in 1927

The development at Ile Malignes (Grand Discharge), is scheduled for completion in 1927. The development at Shipshaw River, however, will not be proceeded with until the whole of the possible output of the Grand Discharge plant is disposed of.

Here again we have an example of the almost limitless possibilities of the Province of Quebec, industrially. Even with the magnitude of the Grand Discharge development and those that have gone before it, elsewhere in the province, the richness of its water power resources has barely been scratched.

There is enough and to spare to take care of the maximum possible industrial expansion for years to come.

Cheap Power the Result

It is expected that the development at Ile Malignes (Grand Discharge), will produce the cheapest power ever developed in Canada. As a result, there is little doubt that the Lake St. John District is destined for a brilliant future as an industrial centre.

The Quebec Development Company itself will carry on to completion the entire work of the Grand Discharge development. Machinery, equipment and materials will be purchased in Canada, wherever possible.

J. B. Duke, the New York tobacco magnate, is president of the company, with Sir William Price; H. L. Brown, counsel; and W. S. Lee, C.E., chief engineer, as vice-presidents. W. I. Bishop, of Montreal, is consulting engineer, with F. H. Cothran, as engineer in charge of operations.

Price Brothers and Company own a 25 per cent. interest in the Quebec Development Company.

The question naturally arises, to what use will this great volume of electric power be put? Undoubtedly, this splendid plant will attract industries to the neighborhood, especially those that require large blocks of energy as well as the raw materials available in the district. While hydro-electric power is of outstanding value wherever it can be obtained and transmitted for reasonable distances, there is a natural tendency for it to be used near the point of production. In this particular case it should be recalled that mechanically produced wood pulp demands from 70 to 80 h.p. per ton. Of this amount, approximately 67 h.p. is for grinding. Sulphite pulp consumes from 8 to 30 h.p. per ton, depending upon the process. From this it will be seen that there are immense power-consumption possibilities in the development of the extensive pulpwood areas in the surrounding district, which is already one of the most important pulp-producing areas in Canada. Other industries using pulp-wood products as their raw materials will also find the Lake St. John region a natural site for their mills.

Many other industries will probably utilize the Ile Malignes power. In all likelihood, the heavy mineralized belt, reaching from Lake Superior across northern Ontario and including the famous Sudbury, Cobalt, and Porcupine mining camps, will be found to extend across northern Quebec. Evidence to this end is shown in the value and the importance of the new mining field at Rouyn; and further prospecting may lead to mining discoveries to the eastward. It is not too much to hope that northern Quebec will develop into a mining district comparable with northern Ontario; and the hydro-electric power station at Ile Malignes may do much toward making this an accomplished fact. While, as we have stated, the aim of the Quebec Development Company is to assist in attracting industries and to create a market for its power in the district, current can, of course, be transmitted long distances. California is now dispatching electric energy efficiently over lines 360 miles long, and the same thing can be done in Canada.

Pembroke Leading Town Industrially in Upper Ottawa River Valley

Town is Nearly One Hundred Years Old and Has Never Yet Been Through "Boom" Period—Growth Steady and Sound.

The town of Pembroke, leading industrial centre of the Upper Ottawa Valley, offers many advantages to manufacturers. Two trans-continental railways provide rapid transportation east and west; practically unlimited electric power is available; there is a plentiful water supply and large open building sites are located close to the tracks.

As a residental location the town cannot be surpassed. Situated in a thriving agricultural section, supplies of farm produce are plentiful and obtainable at lower prices than those prevalent in the larger cities. Over one hundred well-stocked stores provide a large range of choice for any form of family or personal need.

Pembroke lies on Allumette Lake, an expansion of the Upper Ottawa, at the confluence of the Muskrat and Indian Rivers.

Has Material Advantages

While in a picturesque location and possessed of beautiful scenic surroundings, Pembroke has attractions of a material kind, to which the town owes its steady growth, its freedom from labor troubles, and the fact that in recent years of depression and reconstruction, it has suffered less than the majority of Ontario towns. Pembroke has maintained its steady growth and expansion until the population closely interested in the town's welfare to-day numbers over 10,000.

Pembroke is the terminal for the Ottawa division of the C.N.R. and is served by a branch of the Parry Sound-Ottawa division from Golden Lake. Interswitching facilities between the C.N.R. are now being completed. The town is the terminal of the provincial highway connecting with the government road to Northern Ontario. Hourly ferry service to Allumette Island, Quebec, is maintained as well as a daily freight and passenger steam-boat service on the Upper Ottawa River from Pembroke to Des Joachims.

Raw Material Abounds

The abundance of raw material available in the surrounding territory has proven especially attractive to industries.

Cheap Power Available

Practically all the industries are operated by electrical power supplied by the Pembroke Electric Light Co., whose generating station at Black River is capable of supplying unlimited power for lighting and industrial purposes. The comparatively short distance of the generating plant from the town enables the company to supply electrical power at rates, in many cases, lower than those available in any other part of the Dominion. At the same time the company is able to provide a continuity of service impossible in cases of long transmission.

Pembroke has an up-to-date and efficient waterworks system, continuous service being ensured by duplication of the electric pumping system by two auxiliary gas engines, and a steam engine. The water main system, four-inch and over, which now extends for 13.8 miles, is constantly being extended and an abundant supply of water can be utilized in any part of the town in any emergency. The sewerage system, now extending 12.8 miles has also been extended from time to time. Scavenger service is provided and the installation of a regular garbage collection system is under advisement.

Founded nearly a century ago, the town has never experienced a "boom," but has come through a long period of steady development, paralleling the history of most Ontario lumbering towns. From the earliest days, lumbering has been its basic industry, and in the past season, two splendidly-equipped mills, one owned by the Pembroke Lumber Co., and the other by the Edwards Lumber and Pulp Co., cut nearly 60,000,000 ft. of lumber. These two companies employ between them nearly 1,000 men in the summer and over 1,500 in the winter season.

Over $2,000,000 in wages is paid yearly by the firms now established in Pembroke.

ASK RETURN OF $60,000

Manitoba Collected That Sum Under Grain Futures Tax Measure

Between the time the Manitoba act taxing grain futures came into force and the decision of the courts was received declaring it ultra vires, the provinces collected $60,000 in taxes. Grain exchange houses who paid the money are demanding its return but this is being held up pending the next decision by the Privy Council.

Do You Know—

that when you suggest to your good wife that she should have a CONNOR ELECTRIC WASHER in her laundry you are not only suggesting that she secure the best washer obtainable, but you are helping to build up an all Canadian Manufacturing Company who have been making washers and wringers since 1875. Might we send you booklet describing this machine?

J. H. CONNOR & SON LTD.
OTTAWA, ONTARIO

New England Manufacturers Tell Why They Want Our Power

Make Out Strong Case For Getting Energy From Canadian Water-falls—Claim That it is Essential That They Get This Power Soon—Should We Let Them Have it?

From Our Own Correspondent.

MONTREAL.—That manufacturers of New England are giving serious thought to the possibility of getting power from Canada is evident from the recent report of a committee of the Associated Industries of Massachusetts. This committee was appointed a year ago to study the power situation in the New England states.

The most important conclusion of the committee was that New England needs Canadian water power to develop its industrial life. The supply of power has not kept pace with the growth in the demand. As the report puts it: "In the meantime it is to the mutual advantage of New England and Quebec to promote for their joint use the early development of some of the water powers on the tributaries of the St. Lawrence. The crowded industrial centres in southern New England need this water power which now runs to waste, and the domestic plants and paper industries of Quebec look to this side of the border for their essential coal, the cost and difficulty of securing which is continually increasing."

Elsewhere it is stated that the power from Canadian water powers is needed "if proper agreements can be made for the export of electric current."

Canadians may view with alarm this proposal to build up New England industries with power that it is proposed to develop in Canada. The revenue to Canada would be small and the export of the power would prevent once and for all proper development of industries in Canada.

The Arguments for Canadian Power

The portion of the New England manufacturers' power committee relating to the use of Canadian water port, relating to the use of Canadian water power, is as follows:

"The water powers of Canada which are of interest to New England as possible sources of additional power are those on the St. Lawrence River, and on the principal rivers in the Province of Quebec. The total water power on these rivers is estimated to be about 15,000,000 continuous horse power, about 10,000,000 of which is within 500 miles of Boston.

"Investigations of the engineering features of transmitting the nearer blocks of Quebec water power to Massachusetts show that it is entirely possible to transmit this power without incurring excessive losses, and with sufficient reliability and stability. Of this total, about 5,000,000 h.p. is on the St. Lawrence River.

The St. Lawrence River

"There are three important water power sites on the St. Lawrence River. These are located between Ogdensburg, N.Y., and Montreal, all within about 250 miles from Central Massachusetts. Preliminary studies of these power sites have been made at various times, and it is reasonably definite that no great difficulties need be expected in their development from the physical standpoint. The amount of power which could be delivered from these plants to distant points is from 20,000,000,000 to 25,000,000,000 kw.h. yearly, depending somewhat upon the manner of their development.

"The development of these St. Lawrence River water powers is tied up with the projected canalization of this river for deep sea navigation, and cannot be undertaken until suitable international agreements and legislation are carried out.

"The development of the first of these powers would probably require from six to eight years after the Canadian and United States governments would agree upon a plan of procedure and the financing of the undertaking, for any part of the river forming the international boundary, or for that part wholly in Canada.

"It is evident that even if favorable governmental action were actively begun at once, no power could be hoped for from the St. Lawrence in less than ten years.

"It seems to be reasonable to assume that this great natural resource will soon be developed, in view of the fact that the art of hydro-electric development has advanced to the point where, from a physical and economical standpoint, there is little question as to its feasibility. Somewhat less than 300,000 h.p. of the St. Lawrence River water power is now developed out of the total of 5,000,000 h.p. estimated to be available.

Tributaries of the St. Lawrence

"The principal rivers in the Province of Quebec, other than the St. Lawrence River, which may be considered as sources of water power for New England are the Ottawa, St. Maurice, Saguenay and St. Francis.

"The total available continuous power on these rivers is about 5,000,000 h.p., of which about 700,000 is now developed, and about 600,000 is under construction. Somewhat over 300,000 h.p. of the water power now developed in the Province of Quebec is used in the pulp and paper industry. It is planned to use a considerable portion of the power now being developed for the same purpose.

"Large storage reservoirs have been developed on the Ottawa and St. Maurice rivers, which have a considerable equalizing effect on their flow. The Saguenay River is now under development, both as to storage and power, at the outlet of Lake St. John. The ultimate development at this point will produce about 1,000,000 h.p. continuous power.

With Radius of 450 Miles

"The sixteen principal undeveloped water power sites on the Ottawa, St. Maurice and Saguenay Rivers, which will be affected by the storage development on the headwaters of these rivers, have an estimated possible continuous output of about 2,500,000 h.p. This includes one site on each of these three rivers which is now under development.

"All of this 2,500,000 h.p. of continuous power lies within a radius of about 450 miles from the approximate centre of the power demand in New England, that is, eastern Massachusetts.

"This 2,500,000 h.p. of continuous power is equivalent to about 12,000,000,000 to 15,000,000,000 k.w.h. of delivered energy, and would call for an installation of about 5,000,000 h.p. of power equipment, on a basis of 50 per cent. load factor. About 600,000 h.p. of continuous power, or about 3,000,000,000 k.w.h. of this undeveloped power lies within a radius of 300 miles from eastern Massachusetts. (See Plate No 17.)

Cost of Canadian Water Power

"Sufficient information is available regarding the physical characteristics of the power sites on the Ottawa, St. Maurice, and Saguenay Rivers to determine that they can be developed at a reasonable cost. They are all of what may be called medium head plants, the head to be developed varying between 35 and 200 feet. Their development will in nearly every case require a dam of considerable size, with the power house containing the usual equipment of this type of development located near the dam or forming a part of it.

"Detailed studies and estimates of cost for the development of most of these power sites have been made, and they indicate that the power could be produced at the power house for an average cost of about 0.35 cent per kw. h. generated, if the plants are equipped with machinery to handle the output on a 50 per cent. load factor basis.

Must Be In Large Blocks

"Considering the distance over which this power would have to be transmitted (from 275 miles to 425 miles), and the cost of transmission lines, it would not be economical to attempt to bring any of this power into Massachusetts unless in quantities approximating 1,000,000 kw.h. per year within a year or two after such lines are completed. It is essential that a sufficient market be developed to fully utilize the output of one or more of the plants. The cost of the necessary transmission lines and other auxiliary equipment for a 1,000,000,000 kw.h. project on a 50 per cent. load factor basis, together with the loss of power transmission and delivery to customers, would make the cost of power, delivered to users of large quantities in eastern Massachusetts, probably not over 1¼ cents per kw.h.

"This is the average cost on a load factor of about 50 per cent. It does not include any allowance for the increased operating cost per kw.h. of the steam portion of an interconnected system whose load factor is less than 50 per cent.

Start With Small Powers

"These figures do not allow much for developing the business, but assume that practically the full capacity of the initial 1,000,000,000 kw.h. can be marketed in about two years after the completion of the undertaking. Such a tremendous amount of power might not be marketed completely in such a short time, with the result that the excess carrying charges during the period of incomplete use would increase the cost.

"Assuming that it is desirable from an economic standpoint, and good judgment from a standpoint of policy, on the part of both New England and Canada to bring a substantial amount of hydro-electric power from Quebec to New England points, it would seem a better plan to make a beginning with power derived from the smaller power sites of the Ottawa, St. Maurice and Saguenay Rivers, rather than from the St. Lawrence power sites, since the initial cost of supplying the demand for some time to come would be much less with the smaller plants, consequently reducing the excess carrying charges, which are a very important item to be considered.

An Important Consideration

"It is evident that before it is possible to successfully finance such an undertaking as the development and transmission of 1,000,000,000 kw.h. of energy, several very important questions, aside from the physical aspects of the problem, must be settled.

"The principal points to be determined are:

"1. Can 1,000,000,000 or more kw.h. of energy be marketed in New England yearly within a reasonable period of time after the necessary physical structures are completed?

"2. Will the Canadian and Provincial governments give assurance that this amount of energy will be allowed to be transmitted into New England for a sufficient period of years, so that the cost of the undertaking can be amortized at a reasonable rate?

"3. Is it good policy for New England to make itself dependent upon a foreign source of power supply for even a portion of its demand?

"The first of these questions can be answered as follows:

Needs of New England

"Carefully prepared statistics of the amount of energy utilized in the New England states during the year 1922, show that this amounted to 7,553,000,000 kw.h. This includes power produced by industrial plants, and by the central power stations of electric power companies and street and other electric railways. Of this about 2,187,000,000 kw.h. was from water power. The remaining 5,366,000,000 kw.h. of energy, made almost entirely by steam, together with the natural increase in demand for power, furnishes the possible market for new hydro-electric power in New England.

"This is evidently more power than it is reasonable to expect to displace in a short time, and it would be most natural to attempt to supply that part of this prospective market first which is most thoroughly concentrated and already supplied by a network of distribution and transmission lines.

"It is found that the section centering on Worcester or Framingham, and including Massachusetts, Rhode Island, and southern New Hampshire, produced about 3,835,000,000 kw.h. from steam power in 1922, and that the natural increase of power demand for central station power in this section will call for approximately another 1,900,000,000 kw.h. in the next ten years. If Connecticut were added, since it also is already tied in with Massachusetts and Rhode Island, by means of interconnected lines, the 1922 steam power figure is found to be 4,935,000,000 kw.h.

"Considering the natural growth in power demand, the natural replacement of existing steam plant equipment due to obsolescence, breakage and wear, the uneconomical steam-power equipment still being used, and the margin between the cost of power produced by most of the modern steam plants under present conditions, and that estimated for Hydro-electric power from Quebec, it appears that 1,000,000,000 kw.h. from this source could be marketed within a reasonably short period, after it became available.

Regarding Export of Power

"The second question outlined above can probably not be answered until the problem is specifically presented to the Canadian and Quebec parliaments. It is permissible to speculate as to the motives which might very well actuate the decision if arrived at from purely broad-minded considerations.

"Assume a fifty-year permit to transmit a substantial amount of power to New England is under discussion. The first broad question this would naturally raise would be connected with the possible demand for this power in Quebec before the expiration of the permit.

"In a paper on 'Hydro-electric Possibilities of Quebec," read before the American Society of Mechanical Engineers' spring meeting in Montreal, Canada, March 28 to 31, 1923, by Julian C. Smith, vice-president and general manager of the Shawinigan Water and Power Company, he stated that the water power development, representing practically all power development in Quebec, amounted to 200,000 h.p. up to 1905, and had increased to 1,070,000 h.p. in 1922, or at the average rate of about 51,000 h.p. per year for seventeen years. This would be equivalent to about 320,000,000 kw.h. per year on a 100 per cent. load factor basis. If used on a 50 per cent. load factor basis, the actual yearly increase of energy utilized would be about 160,000,000 kw.h.

Criticism of Estimate

"Statistics show that this is an increase in demand for power which is about 80 per cent. larger than the great industrial area of Massachusetts, Rhode Island, and New Hampshire has experienced for some years past.

"It is interesting to compare the past forty years' growth of population in Quebec with that of industrial southern New England. The phenomenal growth of hydro-electric power demand in Quebec is not due to the general growth as indicated by population. It is beyond question largely due to the great increase in the pulp and paper industry in recent years, and also to the replacement of other power, principally in the Montreal centre, since the art of hydro-electric power development and transmission has been perfected. It is a growth not unlike that of some of the large public service companies in New England and other places in the United States since the distribution of electric power has become universal.

Not Expected to Continue

"It is unlikely that this rate of growth in power demand will continue very long. The rate of growth will probably drop off in time and become gradually less, approximating the present growth of only about 2 per cent. per year in New England.

"Even if the average increase of about 51,000 h.p. were maintained it would take about eighty years before the remaining 4,000,000 h.p. of undeveloped water power still available in southern Quebec, other than on the St. Lawrence River, would be utilized. In the meantime one or more of the great power possibilities on the St. Lawrence River will beyond doubt be developed, and this New England load could be shifted if Quebec found itself short of power.

No Power Shortage in Quebec

"From the above it seems fair to conclude that Quebec need not fear any power shortage within fifty years or more if a substantial amount of its hydro-electric power is transmitted to New England.

"Another point which will probably come up is that relating to the greater incentive to industries locating in Quebec, where the power is available, if there might be a power shortage in New England. Some industries, such as those having electro-chemical processes, will undoubtedly locate near the power source since the cost of power for such processes is a very important item, and this will be true if power is transmitted to New England as much as if it were not so transmitted. The industries of southern New England are almost entirely of a kind in which labor and materials form the principal items of cost, power representing less than 5 per cent. of this cost. Since neither materials nor labor are available for these particular industries in Quebec, it is unlikely that they would change their location on account of power alone. This is particularly true, since Quebec is more remote from principal markets for these New England products.

Any Advantage to Quebec

"Assuming then that from a standpoint of power supply no objections to a permit to transmit power to New England can be found, it would be natural to raise the further question as to there being any advantage to Quebec in allowing this power to pass out of the province.

"Among other possible advantages which seem to suggest themselves are those of diversity of market for power and diversity as to stream flow between New England and Quebec, and the added capital expenditures and taxable value in the province.

"Much of the power now developed in Quebec is wasted on account of the load factor conditions which exist. Without question much of this wasted power could be marketed by proper interconnections of the various Quebec transmission systems with the New England system.

"A study made of the diversity of stream flow between the principal New England rivers on which water-power developments exist and those rivers of Quebec which are being considered would indicate that in a dry year about 2,000,000,000 kw.h. more water power would become available as primary power if these two river systems were electrically interconnected.

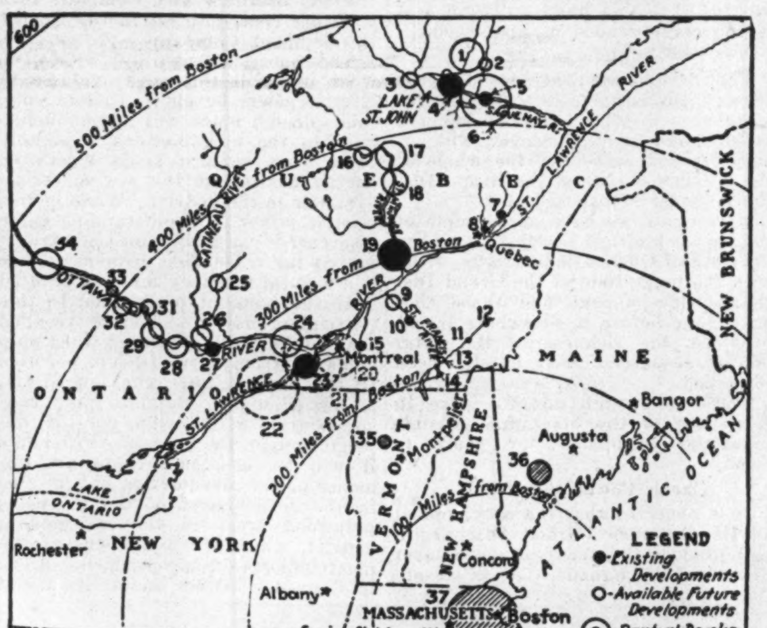
"Since the amount of power that can be depended upon in a dry year establishes maximum capital cost necessary to deliver any amount of primary power, this gain due to diversity of stream flow would save a tremendous expenditure in auxiliary steam plants or reservoir development or both.

Conservation of Coal

"Canada should be interested in the conservation of coal in the United States, and certainly is interested in the cost of coal. 1,000,000,000 kw.h. from water power will save at least 1,000,000 tons of coal at the mine per year, and since the price of coal to a great extent will always be governed by the demand, it is fair to assume that Canada will obtain a direct benefit from the saving in coal consumed in New England.

"The recorded history of friendship and mutual interest in all things which has always existed between Canada and the United States would seem to be sufficient to answer the third question, which related to the dependency of New England on a foreign supply of power. Should this friendship cease, it would be such a calamity that the question of power supply for New England would be very uninteresting indeed."

THIS IS POWER NEW ENGLAND WANTS



Power possibilities in Canada on the St. Lawrence and tributary rivers.

1. 290,000 hp. available (580,000 at 50 per cent. load factor).
2. 30,000 hp. available (60,000 at 50 per cent. load factor).
3. 60,000 hp. available 120,000 at 50 per cent. loan factor).
4. 300,000 hp. developed.
5. 75,000 hp. developed at three sites on the three tributaries.
6. 600,000 hp. available (1,200,000 hp. at 50 per cent. loan factor).
7. 24.000 hp. developed.
8. 8,000 hp. developed.
9. 60,000 hp. available (120,000 at 50 per cent. load factor).
10. 17,500 hp. developed.
11. 3,700 hp. developed.
12. 4,000 hp. developed.
13. 8,800 hp. developed.
14. 4,700 hp. developed at two sites.
15. 24,800 hp. developed.
16. 76,000 hp. available (152,000 at 50 per cent. load factor).
17. 206,000 hp. available 412,000 at 50 per cent. load factor).
18. 162,000 available (324,000 at 50 per cent. load factor).
19. 527,000 hp. developed at three sites.
20. 1,000,000 hp. available as part of St. Lawrence canal project.
21. 1,900,000 hp. available as part of St. Lawrence canal project (would wipe out existing development of 245,000 hp. leaving 1,655,000 hp.).
22. 2,000,000 hp. available on international boundary as part of St. Lawrence canal project.
23. 245,000 hp. developed.
24. 220,000 hp. available (440,000 at 50 per cent load factor).
25. 65,000 hp. available (130,000 at 50 per cent. load factor).
26. 100,000 hp. available (200,000 at 50 per cent. load factor).
27. 80,000 hp. developed.
28. 120,000 hp. available (240,000 at 50 per cent. load factor).
29. 120,000 hp. available (240,000 at 50 per cent. load factor).
31. 64,000 hp. available (128,000 at 50 per cent. load factor).
32. 84,000 hp. available (168,000 at 50 load factor).
33. 28,000 hp. available (56,000 at 50 per cent. load factor).
34. 200,000 hp. available (400,000 at 50 per cent. load factor).
35. 70,000 hp. total fuel-burning installations in Vermont.
36. 210,000 hp. total fuel-burning installations in Maine.
37. 2,915,000 hp. total fuel-burning installations in Massachusetts, New Hampshire and Rhode Island.
38. 825,000 hp. total fuel-burning installations in Connecticut.

Lloyd's Branch Profits More Than £2,000,000

LONDON. — The available profit for the year of Lloyd's Bank, Limited, after payment of salaries, pensions, staff bonuses and allowances, other charges and expenses, and the annual contribution to the provident and insurance fund, and making full provision for rebate, income tax, corporation profits tax, bad debts and contingencies, is £2,047,115 : 17 : 4. To this had to be added £498,342 : 2 : 10 brought forward from the previous year, making a total of £2,545,458 : 0 : 2.

Out of this total, an interim dividend of 1s. 8d. per share, being at the rate of 16 2/3 per cent. per annum, and amounting, less income tax, to £913,281 : 11 : 7 was paid for the half-year ended June 30, £100,000 has been placed to the staff widows and orphans fund, and £100,000 to the staff pensions fund.

After making these appropriations, there was a balance of £1,432,176 : 8 : 7 remaining, and the directors recommended the payment of a dividend for the past half-year at the same rate, amounting, less income tax, to £928,253 : 8 : 2, leaving a balance of £503,923 : 0 : 5 to be carried forward.

In addition to the above allocations, £500,000, being part of the profit on the sale of investments during the past year, was applied in reduction of the bank premises account.

Dynamic Leadership

A WORLD'S Mining Congress at London, England, and The Financial Post tells Canada's vivid mining story in the largest issue of its kind ever published in Canada! But The Post does more. It sends its personal representative, Mr. W. A. Doner, to England to see that this National Mining Number gets into the hands of each delegate to the Congress.

A World's Power Conference at London! Again in this Public Utilities Issue, The Financial Post assumes its obligation of leadership in the Canadian financial paper field and presents the story of Canada's immense water power resources to the power experts of the World.

Last year, The Financial Post, emphasized the possibility of government inspection of banks. The idea was scoffed at. To-day the plan for governmental bank inspection is before the house.

Again, The Financial Post for years recommended a tariff board to study Canada's tariff needs, only to meet with critical doubt. To-day, a tariff board has been promised.

All these are evidences of dynamic leadership. This leadership is accorded the recognition it deserves.

The premier of one of Canada's provinces says "The Financial Post is the only paper I have time to read."

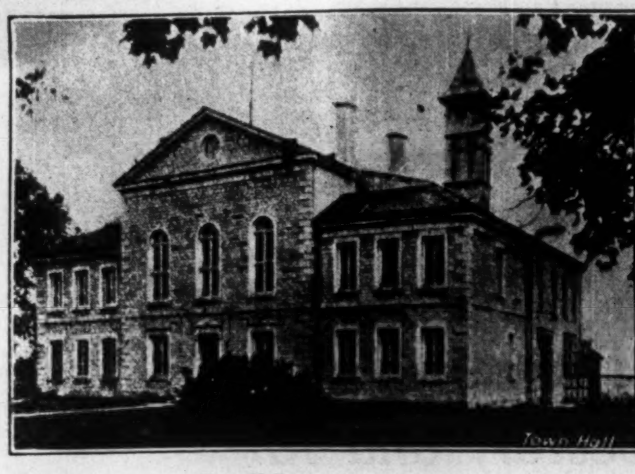
The country's busiest executive has the leading papers of Canada clipped for him as they come in. But The Financial Post goes to him intact.

Another business leader of power remarked the other day "The Financial Post is one of the few sane papers left in Canada."

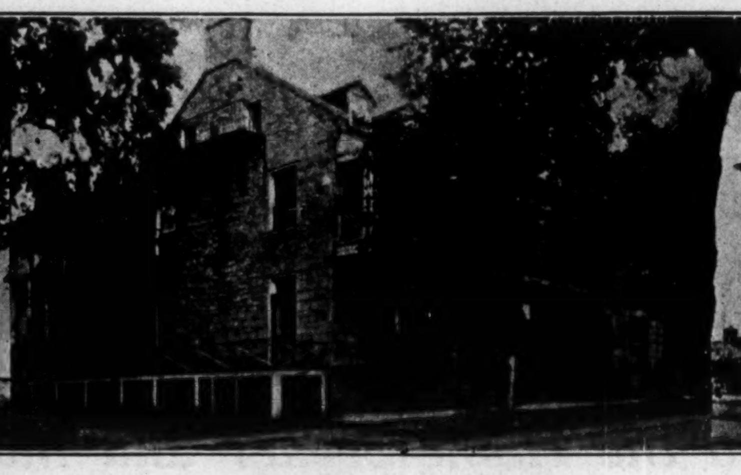
The consul general of a great nation says "For three years there has not been a single issue of The Financial Post I have not perused from beginning to end."

The capacity to do things first and to do them well; to see a need and to fulfil that need and the reputation for clean, fearless, progressive, editorial policy which The Financial Post has won and retains are assets to advertisers in The Financial Post.

Is your business capitalizing the goodwill, interest and respect of the readers of The Financial Post?



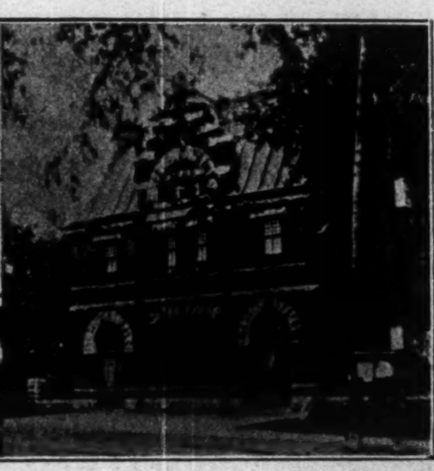
Town Hall.



British Hotel.

Holts Hotel
Aylmer Que.

Holt's Hotel.



Post Office.

AYLMER, Quebec

Aylmer Invites Industries to Come

Aylmer offers exceptional attractions to industries.

The Town Councils are prepared to grant free sites to approved industries, and total exemption from municipal taxation. Labor is available in the immediate neighborhood, and the C.P.R. passes directly through the town.

There is a large surplus of electrical energy available at very favorable rates, the main power house being situated at Deschenes Rapids, just below the town. In a few months it is expected that the power available will be doubled, as another company is now engaged in harnessing a large waterfall west of Aylmer.

The power line from this development will enter Aylmer providing ample, cheap power.

Aylmer Has Everything that Makes Living Worth While

Aylmer has all modern improvements—water, light and sewers, and already some five miles of sidewalk have been installed, and these are being rapidly extended.

The area of the town of Aylmer is over 3,500 acres, and the fixed population is about 3,200, which, of course, is always augmented by the seasonal summer cottagers. The total valuation approximates $5,000,000, and the water works equipped with electrically driven pumps and subsidiary steam plant for emergencies, delivers the precious fluid to every section of the town.

A filtration plant costing upwards of $60,000 insures perfect purity in the water.

There is every facility in Aylmer for the seasonal enjoyment of all kinds of summer and winter sports. Summer activities include tennis and golf, while in the realm of water sports, excellent facilities are provided to suit every taste. There is very excellent bass and other fishing in the adjacent bays on Lake Deschenes. There is good safe bathing, and the Victoria Yacht Club, which enjoys a large membership, features yachting and other aquatic sports. A short distance from the City is located Queen's Park, a picturesque amusement park with many amusement devices and facilities for obtaining refreshments. Aylmer is conveniently situated to three golf clubs, The Ottawa Golf Club, The Rivermead Golf Club, and the newly formed Chaudiere Golf Club. In winter a large skating rink is the centre of attraction, and the spurs of Laurentian Mountains, which reach to a short distance from the town limits, offer every inducement to the full enjoyment of skiing and tobogganing.

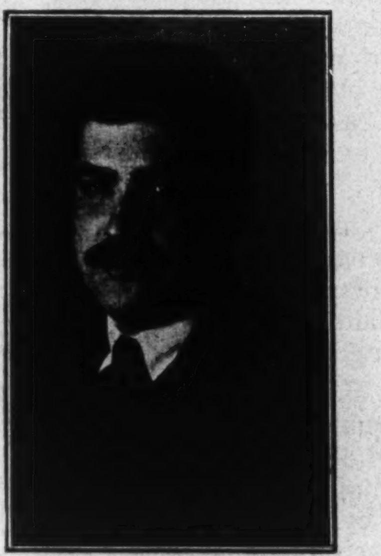
Six full lots have been set aside from the Symmes Estate, without charge, for use as community tennis courts and bowling greens.

The most beautiful town in the Ottawa Valley

GEORGE R. NASH,
Mayor of Aylmer.

A newer and better town than ever before.

Bright and modern and with fine attractions for industries and home-owners.



E. D. MOWBACH,
Industrial Commissioner and Secretary-Treasurer of Aylmer.

A Personal Message from Mayor Geo. Nash and the Councillors of Aylmer, Que.

WE HAVE a town of which we have every reason to be proud and we want everyone to know about the facilities we have to offer for home-making and for manufacturing.

Our tax rate is low, only 11 mills, and we can boast of all modern improvements, such as sewers, electric light, filtered water and side walks found in the large centres of Ottawa and Hull.

We are bending all our energy to further beautify and popularize our already charming town, and the location of the available land offered for building and industrial purposes is the choicest in the area.

We invite you, cordially, to come to Aylmer and look over our proposition. You are assured of a cordial welcome, and we feel you will agree that our claims are in no way exaggerated.

GEO. NASH, Mayor.

Councillors: **B. Lambert, R. K. Edey, J. H. Laframboise, L. A. Mondoux, G. Proulx**

June, 1924.

The following progressive, and public-spirited citizens have made this page possible—

The City Council,
Geo. R. Nash, Mayor.
E. Mowbach
Union Bank of Canada
Banque Provinciale du Canada
Holt's Hotel
British Hotel
Mondoux Construction Co., Limited
W. Borgeau
Amabélie Bourgeau

Has Risen Phoenix-Like From its Ashes

Aylmer has recovered remarkably from the great fire of 1921 and is to-day a brighter, better town than ever before.

Hardly had the ashes of the conflagration cooled when plans were put in shape for rebuilding a larger and better Aylmer, and the result at the present time is highly creditable to the citizens. Assistance for the stricken people in money, foodstuffs and clothes were rapidly forthcoming from Ottawa, Hull and the adjoining municipalities, and the large number of stores and artistic and home-like residences which have sprung up since that time are a distinct credit to the people of Aylmer.

Under the guidance of their energetic mayor, Geo. Nash, and a wide-awake body of councillors, Aylmer is making a bold bid for further expansion. Full advantage is being taken of the grant of $400,000 made by the Quebec Provincial Legislature for re-building purposes. Half of this amount has already been loaned for reconstruction, and $200,000 is still available.

It is noteworthy that this Government money is on loan at the very modest interest of 3 per cent. per annum, and is not confined to residents of Aylmer. There are many in adjacent cities, who, although regular wage-earners, find the burden of continued rent-paying an intolerable one, and the Town of Aylmer is extending a hearty invitation, especially to people of this class, to come and make their homes within her borders. With its easy access to the Capital City and Hull by electric railway, train, bus and excellent provincial highway, the inducements offered by Aylmer far outweigh the slightly longer time taken to reach it.

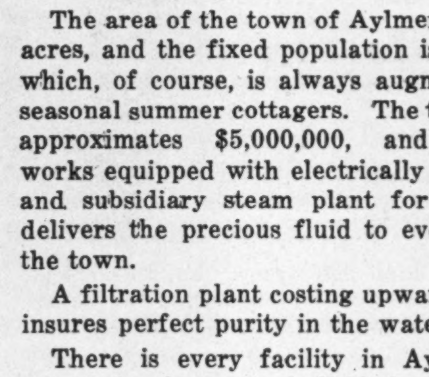
More Than Half of Canada's Population is Within One Night's Run of Aylmer

Manufacturers must have markets and the fact that over half of all the people in Canada can be reached within twelve hours of Aylmer is significant and important.

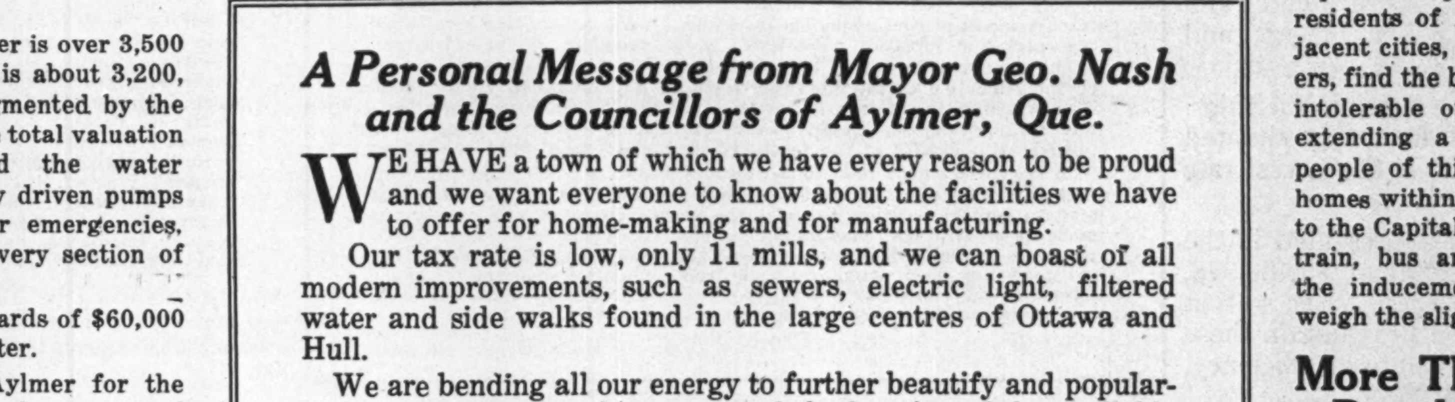
Aylmer is well located from the standpoint of railway transportation and navigation. It has large amounts of available power. There is over 75,000 horse power of developed water power within a few miles of Aylmer and over one million horse power of undeveloped power within fifty miles or so. Living conditions for workmen are excellent with good schools and churches; fine homes available at low interest rate under the government housing scheme; many scenic and sporting attractions.

And to make the industrial advantages of Aylmer stand out above those of other communities the progressive citizens, through their council, offer free factory sites, fixed assessments, etc., to serious industrial executives and business men.

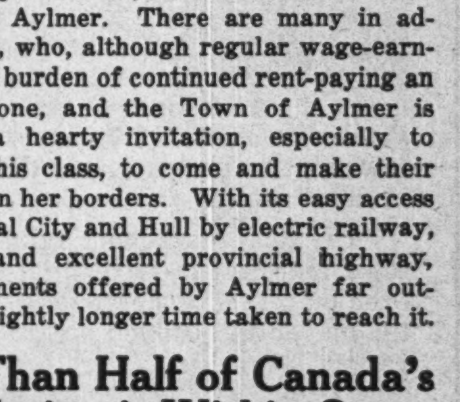
Come to Aylmer and see for yourself before you decide. A warm welcome awaits you.



Union Bank of Canada.



Some of the residences erected under Aylmer Housing Scheme.



La Banque Provinciale.

The Mayor and Council Present to the Financial World

Ontario PEMBROKE Canada

Offers Rare Opportunities to the Home-Seeker and Investor, and for the Development of Branch Industries

A Modern Town, Modernly Equipped

THE first settler located his home in the virgin bush that is now the site of Pembroke just short of a century ago. By 1877 it had grown to the proportions of a town, and from that day to this its record has been a history of steady growth. It has now a population of 8,647, and of recent years that population has been growing at a rate of from 300 to 400 a year, while in the district immediately contiguous there is a population of over 2,000.

Pembroke to-day covers an area of 1,900 acres. It has forty miles of streets, twenty-two miles of which are splendidly lighted. It has 17 miles of concrete sidewalks. It has a splendid water works system that draws an abundant supply of water from the Ottawa River, with electric power pumps, with auxiliary gas and steam plants in case of emergency; and there are approximately fourteen miles of four-inch or over water pipes.

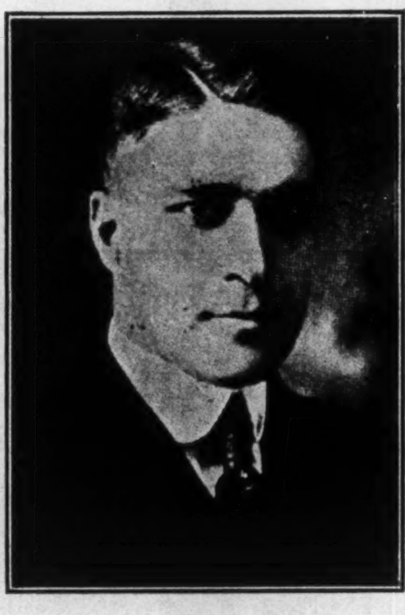
In its sanitary arrangements the town is hardly equalled by any place of its size in the country. It has a complete sewerage and sewerage disposal system with over twelve miles of sewers laid. In addition it maintains a street cleaning and sprinkler service.

Its fire protection equipment is adequate in every respect. There are 161 hydrants and 38 fire alarm boxes. A permanent force of a chief and seven permanent firemen is supplemented by nine volunteers. The mechanical equipment consists of a motor fire truck, chemical truck, a modern ladder truck and a steam pumper.

The police department consists of a chief and three constables, provincial police officers and county constables.

In its street and domestic lighting facilities, Pembroke is one of the most favorably situated towns in the province, and that at the lowest rate in the province.

The total assessment value represented in the town reaches the substantial total of $5,483,978, even on a very moderate assessment basis, so that the mayor and council are able to maintain these various services at a very high state of efficiency.



Mayor L. S. Barrand

Reeve and Chairman, Industrial Committee J. P. Duff

Unequalled Facilities for Industrial Concerns

PEMBROKE is rapidly coming to the fore as a manufacturing centre, as is evidenced by the list of present industries noted below.

There is a solid reason for this fact in the peculiar advantages offered by the town. For any industry that uses wood as a raw material Pembroke is peculiarly favorable owing to the almost inexhaustible supply of lumber in the immediate vicinity. But while these were the original industries represented here, there has been a widening of its appeal of late years. Pembroke offers a virtually inexhaustible and assured supply of power at lower rates than are to be found in any other place in the Dominion. The availability of these power resources assure continuous cheap power. It has in addition unequalled transportation facilities. Pembroke is the terminal of the old Grand Trunk Line now operated by the Canadian National Railways and is on the main line of the Canadian National and Canadian Pacific, with interswitching facilities between the two lines. There is also a boat line daily service on the Ottawa River tapping a vast country. The town is also located at the terminus of the provincial road connecting with the government road to Northern Ontario, offering splendid facilities for developing the trade of that rapidly growing section. This and its central position between the larger cities of central Canada make it a strategic manufacturing centre. There are ample labor resources available, and it is a notable fact that during its whole history the town has been singularly free from industrial disputes. Anyone interested in industrial enterprise in this section, of whatever sort, can secure all necessary information by applying to the mayor.

A Home Town, a Summer Resort Location, and a Profitable Business Centre

ADDED to the very complete public services, Pembroke is peculiarly favored as a home town. No place in Canada has a more picturesque location. It is situated on the shores of Alumette Lake, an expansion of the Ottawa River, at the confluence of the Muskrat and Indian Rivers. It has never been a boom town, but has grown steadily, so that it is a town of substantial and beautiful homes.

The educational facilities are remarkable. It has a High School, that is soon to be replaced by a Collegiate Institute with provision for technical education, four public schools, two separate schools, and convent. There are also Business College, night school and French school.

Virtually every denomination is represented in the eleven churches of the town.

Pembroke is the County Town of Renfrew County, and all the county buildings are located here.

There is a splendid library in the town and an unusually fine park system. There are good hotels, and two up-to-date weekly newspapers.

Golf, tennis and skating and curling clubs, two theatres and many social organizations add to the pleasure of town life. The surrounding section of Pembroke is notable for its scenic beauty and romantic history. The Ottawa River is navigable for fifty miles and presents many attractions for the tourist and summer visitor. For the sportsman there is splendid fishing, while moose, deer and bear abound in its immediate vicinity.

As a business centre, Pembroke is remarkably sound, as is evidenced by the fact that six banks are represented in the town; while over 100 modernly equipped stores indicate the prosperous business that is done here.

Over $2,000,000 a Year in Wages

Perhaps an even better indication is found in the town's payroll that represents upwards of $2,000,000. The firms and their approximate wage bills are as follows:—

Pembroke Shook Mills, Ltd.	**$200,000**
Superior Electrics, Ltd.	**30,000**
Pembroke Lumber Co., Ltd.	**500,000**
Pembroke Plywood & Veneer Co.	**50,000**
Steel Equipment, Ltd.	**300,000**
Estate W. Beatty	**16,000**
Thomas Pinks, Ltd.	**52,000**
Pembroke Milling Company	**40,000**
Barrand's Planing Mill	**11,500**
Canadian Splints Corporation	**119,000**
Corporation of Pembroke	**62,000**
Edwards Lumber & Pulp Co.	**500,000**
Pembroke Electric Light	**18,000**

And to this must be added the wages paid to clerks, teachers, bank and newspaper employees, and the large number of wage earners not represented in the above list.

Pembroke Electric Light Company's New Power Dam

The Mayor and Council

Mayor L. S. Barrand
Reeve and Chairman Industrial Committee J. P. Duff
Dep. Reeve E. G. Lewis
Dep. Reeve J. M. Taylor
Chas. Fraser
J. A. Gourley
W. Boggart
W. Woolsey
P. Patterson
H. Middleton
M. J. Neville
S. Switzer
J. Leach

The Plant of the Canadian Match Company

Progressive Industries that have chosen Pembroke as their Distributing Point

Pembroke Shook Mills, Ltd.
Manufacturers of box shooks, standard or special sizes.
Canadian Match Co., Ltd.
Manufacturers of matches.
Canada Splint & Lumber Corporation, Ltd.
Manufacturers of match splints.
Pembroke Lumber Co., Ltd.
Wholesale dealers in lumber.
Edwards Lumber & Pulp Co., Ltd.
Wholesale dealers in lumber.
Superior Electrics, Ltd.
Manufacturers of electrical appliances and cooking ranges.
Pembroke Plywood & Veneer Co., Ltd.
Manufacturers of veneers, plywood panels, etc.

Pembroke Electric Light & Power Co., Ltd.
Pembroke Milling Co., Ltd.
Makers of national patented flour.
Estate Walter Beatty.
Building contractors, manufacturers of sashes and doors.
Pembroke Woollen Mills.
Manufacturers of suitings, etc.
Thomas Pink Co., Ltd.
Manufacturers of lumbermen's tools.
Steel Equipment Co., Ltd.
Manufacturers of office furniture, steel store fixings, hospital furniture, etc.

Alex. Barr.
Wagon and carriage factory.
Pembroke Laundry & Dyeing Co.
Dyers and cleaners.
Barrand's Planing Mill.
Custom sawing and planing. Planing of lumber in transit a specialty.
H. W. Wright.
Manufacturer of moccasins and mitts.
A. E. Cockburn.
Boat and launch builders.
J. E. Wallace & Co.
Manufacturers of boots and shoes.
Pembroke Brick & Tile Co.
Manufacturers of building brick.

S. J. Webb.
Manufacturers of bread and cakes.
National Bread Co.
Makers of bread, cakes and confectionery.
Brunett & Berggren.
Manufacturers of confectionery, candies and ice cream.
Whyte's Bakery.
Makers of bread and cakes.
Pembroke Creamery Co.
Manufacturers of high class butter.
Fischer Flour Mills.
Manufacturers of high grade flour.

F. W. Fischer.
General contractor and sash and door manufacturer.
Wm. Markus, Ltd.
Builders and general contractors.
Mohns Brothers.
Builders and general contractors.
W. D. Morrison.
Harness manufacturer.
Clarke, Andrews & Co.
Harness and leather goods manufacturers.
A. Wright & Co.
Maker of mitts and moccasins.
Sugar Bowl Candy.
Manufacturers of all kinds of candies.

E. A. Hunt.
Maker of high class candies and sweetmeats.
F. W. Chambers.
Maker of confectionery and candy.
J. P. Seeley.
Manufacturer of pumps.
F. G. Armstrong.
Dealer in lumber.
Crystal Water Works (A. Allard).
Manufacturer of soft drinks.
C. Devlin & Son.
Manufacturers of stoves and foundry work.
Dunlop & Co.
Manufacturers of tinware.

W. T. Woolsey.
Manufacturer of tinware and plumber.
The Pembroke Standard.
Published weekly.
E. B. Christiansen.
High class business and social printing.
The Pembroke Observer (Proprietor, D. A. Jones).
This progressive paper has been serving the Ottawa Valley for the past 63 years. Any further information concerning this write up will be gladly given by the Pembroke Observer.